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FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Inquiry as oil tanker leaks

The Department of Trade ordered an inquiry into the grounding of the Greek tanker off South Wales, where spraying vessels are tackling an oil slick covering 60 square miles. Two light tankers were heading for the stricken *Christos Eftis* to begin transferring its cargo of 35,000 tonnes of Iranian heavy crude.

The Greek-owned tanker was en route from Rotterdam to Belfast when it ran aground near Milford Haven and was beached. First inquiries by the Department suggested the tanker was too close to the coast. Page 3

BUSINESS

Equities lose 9.6; Gilts fall 0.49

● EQUITIES were adversely affected by increasing pressure on the official pay policy. Closing, or cutting, of account.

The FT Industrial Ordinary Index closed 9.6 down at 496.2. The FT 100 closed 0.49 down at 1,119.5.

Korchnoi level in chess match

Challenger Viktor Korchnoi beat Anatoly Karpov in the 31st game of the world chess championship to draw level at five-all. Six wins are needed to clinch the title.

Beirut 'buffer'

About 1,000 Lebanese soldiers have moved into an attempt to establish a buffer zone between Syrian troops and Christian militias. Page 2

Iran relents

Iran has bowed to demands by striking newspaper workers for an end to Press censorship but the Government faces more trouble with an Opposition call for a general strike to start on Monday.

Basque ambush

Two policemen were shot dead and a third wounded in an ambush by terrorists outside Bilbao, Spain's Basque provincial capital.

Seal ship back

The cat and mouse game between seal hunters and conservationists continued when the Norwegian seal ship *Kvitungen* sailed back into Kirkwall Bay, Orkney, for the third successive day. Government officials went aboard for more talks.

Second shooting

The second security guard to be shot in London inside 24 hours is recovering in hospital after a sniper shot just under 500 yards away from the victim's head. The guard was being delivered to Edgeware general hospital, North London. Both victims Thursday's was shot dead, worked for Securicor.

Ullsten in

Ola Ullsten, leader of Sweden's Liberals, became the new Prime Minister after a parliamentary vote in which most of the members abstained. The new Cabinet will be announced next week. Page 2

Wine inquiry

Allegations that blended wine was relabelled and sold as an expensive product are being investigated by the Ministry of Agriculture and Fisheries. The allegations involve a wine shipping company based in East London. Page 3

Bomb scares

Bomb scares halted several Ulster train services following Thursday's bomb attack in which a woman died.

Geoffrey Boycott

Yorkshire cricket captain, has been asked to explain to the county committee his TV interview with Michael Parkinson last week. Man of the Week, Back Page

Turner-Layton

of the Layton and Johnstone duo, left £24,855 net in his will.

Dr. David Owen

Foreign Secretary, left for talks with the South African Government on Namibia. Feature, Page 2

Actress Elizabeth Taylor

was taken to hospital in Big Stone Gap, Virginia, after a piece of chicken stuck in her throat.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

ASH & LACY	146	+	4
CITY OFFICES	68	+	4
INURY PROP	387	+	23
MORE O'FERRALL	85	+	5
RICARDO	357	+	10
SANDAMEN (G)	372	+	8
VICTOR PRODUCTS	272	+	8
EXCHEQUER 12PC 1988-89	588	-	4
AMALGAMATED POWER 144	144	-	6
BOOTS	198	-	8
BROWN (J)	430	-	14
COMBINED ENG. STR. 125	125	-	6
CONSTAN (R)	230	-	6
DISTILLERS	134	-	10
DUNBEE-COMBES	134	-	10
FAIRVIEW ESTATES	130	-	5
FARNELL ELECTRONICS	402	-	10
GEC	324	-	12
GLASS	370	-	11
GLASS FIELD PROPS.	73	-	7
GUS A	312	-	10
HUNTING ASSOC.	328	-	22
ICL	475	-	12
MEPC	171	-	8
MORE BROS.	140	-	6
BROTHERS	115	-	6
PERRY (H)	236	-	10
REDFERN NAT. GLASS	287	-	29
TAYLOR WOODROW	408	-	14
VICKERS	185	-	3
WHITBREAD A	493	-	10
DO BEERS DELTD.	512	-	1
HARTBROOK	232	-	11
RANDFONTEIN	526	-	35
SOUTHVAAL	526	-	35

Pay policy blow as Ford and BOC offers are rejected

BY ALAN PIKE AND NICK GARNETT

The Government last night faced the prospect of its pay guideline being not merely breached but completely disregarded as the first two offers to break the 5 per cent limit were rejected by union representatives.

After a day of negotiation on behalf of 37,000 BOC manual workers union officials rejected an offer averaging 8 per cent and let the talks with no further meeting planned.

Earlier BRITISH OXYGEN shop stewards rejected a similar offer and demanded an eight-month deal worth about 15 per cent or a 12-month deal in give rises on earnings of 20 per cent or more.

When Ford, which has faced a national strike for the past three weeks, resumed talks with the unions yesterday, it opened with an offer worth an average of 8.5 per cent.

This was promptly rejected by the union side, but discussions continued.

Last yesterday afternoon the company increased its offer to one averaging 8.8 per cent. Ford's offer, were conditional on the union negotiators agreeing to the strikers to return.

The company made it clear that if the strike was called off and union officials signed an undertaking to help improve production efficiency, a further increase on top of the 8.8 per cent would be offered. The talks broke down when after a short adjournment the union side rejected the new offer.

Mr Ron Todd, chairman of the union negotiators, said that the company had come "nowhere near" the response the unions were seeking to their claim for 120-a-week increases and other improvements, including a reduction in working hours.

"Although they have removed the shackles of Government restraint they are still trying to negotiate close to it," he said.

The offer was not sufficient in warrant either having further talks or recommending an end to the strike.

Mr Paul Roots, Ford's employee relations director, said after the breakdown of talks that the company had tried extremely hard to keep negotiations going but had faced a "fairly solid position" from the unions.

He had made clear to union negotiators that more money would be available in return for production improvements, and he was "not talking about half-pennies."

In return for a further increase in the offer Ford seeks union support to ensure better continuity of production, work flexibility and more efficient use of resources.

So far as the Government's pay policy is concerned, this would not have the cosmetic appeal of constituting a productivity deal. If the unions signed a declaration of intent the extra money would be available for specific areas, including consolidation of plant, higher shift and meal allowances and further new money on basic rates in a deal to last eight months.

This would be in line with the union's attempt to alter the annual negotiating date from September to May and would be designed to give rises on average earnings of about 15 per cent during that period.

If the company refuses to negotiate an eight-month deal, the unions will resort extra.

Continued on Back Page

Mrs. Thatcher offers olive branch to unions

BY RICHARD EVANS, LOBBY EDITOR

MRS. MARGARET THATCHER yesterday offered trade union leaders a goal they could not attain under Mr. Callaghan's Labour Administration, the introduction of "realistic, responsible collective bargaining, free from Government interference."

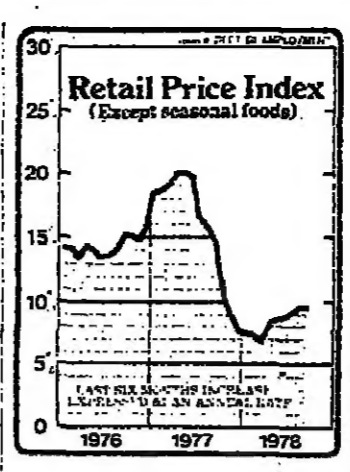
But behind the olive branch offered during a skilful speech, winding up the Conservative Party conference at Brighton, lay a warning—if the unions did not co-operate with Conservative policies they would have to face the economic consequences.

Although Mrs. Thatcher spoke in cautious and conciliatory terms, there was no doubt about her determination to abandon any formal incomes policy, and to allow full rein to market forces.

She came down decisively on the side of Sir Keith Joseph, her policy adviser, rather than on that of Mr. Edward Heath or Mr. James Prior, employment spokesman, in the argument that the economy must be put on a sound footing and behind the scenes at Brighton all week.

Her first aim, in a speech directed more at the electorate than the party faithful, was to capitalise on Labour's damaging reversals at the hands of the trade unions at Blackpool last week and to present the Conservatives as the only viable administration.

She promised a Conservative administration under her leadership would do all a government could to rebuild a prosperous economy by encouraging competition, free enterprise and profits.



Retail Price Index (Except seasonal foods)

Rate of inflation falls

BY MICHAEL BLANDEN

THE RATE of retail price inflation dropped last month. All the recent evidence is that the 12-month inflation rate should stay in single figures, probably until the spring.

The Department of Employment said yesterday that the retail price index rose by 0.4 per cent in the month to mid-September. This compared with an increase of 0.7 per cent in August.

As a result, the increase in prices in the past 12 months fell to 7.8 per cent against 8 per cent in the year to August, and a low point of 7.4 per cent in June.

The figures were in line with repeated forecasts by Mr. Roy Hattersley, the Prices Secretary, that the 12-month rate should fluctuate round 8 per cent for the rest of this year.

With the good harvest and the recent relative strength of the pound, the outlook remains good until early next year.

The most useful guide to the underlying rate of price increases is normally given by the index which excludes the effect of seasonal food prices, taken over a six-month period and expressed as an annual rate.

This stood at 8.5 per cent in the six months to mid-September, unchanged from the level in the previous month. This figure is influenced upwards, however, by the annual bunching of certain increases, particularly for local authority rents and rates, in April.

UK trade swings back into deficit

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BRITAIN'S current account swung back into a large deficit during September, continuing this year's pattern of sharp month-to-month fluctuations. But there were several especially unfavourable factors last month and the underlying trend is probably around balance.

There was a deficit of £118m in September, compared with a surplus of £120m in the previous month. About half the change reflected the impact of erratic influences such as the industrial dispute at Southampton Docks and variations in oil shipments. Imports of road vehicles rose by 37.2 per cent from the low August level, though the longer-term rate of growth this year has been less than the average for manufactured goods.

In the markets, there had been fairly accurate speculation about the future of the pound, but the pound's sterling value weakened to a day's low of \$1.9765, but there was a late rally, partly reflecting the further problems of the dollar, and the closing of the Deutsche Mark was 15 points up on the day.

The pound, however, weakened again compared with the stronger Continental currencies so that the trade-weighted index dropped by 0.3 to 65.1.

Over the last week this index has fallen by nearly 1 per cent, while the pound has gained slightly against the dollar it has slipped, for example, by just over a per cent against the Deutsche Mark. This may partly have reflected market anticipation of a British decision to join the proposed European monetary system.

The overall trade performance remains masked by variations in the more erratic elements of the balance in these items, worsened by £279m between the second and third quarters of 1978 and this more than accounted for a £242m deterioration to a current account deficit of £44m in the July-to-September quarter.

The result has been a cumulative deficit of £163m in the first nine months of the year. This compares with the April Budget projection of a surplus of £750m for the year, and the more recent suggestion by Mr. Denis Healey, Chancellor, that there should be some surplus.

Earlier this week it became known that the EEC Commission was now projecting a 1% deficit of about £250m for 1978.

Although North Sea oil production has not risen quite as rapidly as previously hoped, the main reason for the difference between the likely outcome in 1978 and the April forecast has been the rise in the price of oil.

Purchases of industrial materials and semi-manufactured goods in particular have remained more buoyant than expected in the first nine months of 1978, with volume 10 per cent higher than the average last year.

Imports of finished manufactured goods have also been rising rapidly, though this was expected in view of the buoyancy of domestic demand. In the last quarter the volume of purchases, excluding erratic items, was 51 per cent higher than in the previous quarter.

However, after a flat trend in the first half of 1978, the volume of exports has now begun to grow steadily, in line with the evidence from recent Department of Trade and CBI surveys.

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Fed. lifts discount rate to 8 1/2%

BY JOHN WYLES

THE U.S. federal reserve board today lifted its discount rate from 8 per cent to a record 8 1/2 per cent with effect from Monday. In one of its most aggressive interest rate moves for nearly two months.

The Fed's announcement came in a day in which most major U.S. banks had boosted their prime rates to 10 per cent in spite of a reiteration of President Carter's concern about interest rate levels by April.

Mr. Jody Powell, the White House Press secretary, said that the move was a "strong signal" that the Fed was committed to its policy of reducing inflation.

Chairman of New York started the trend when it raised its prime rate on yesterday. Citibank followed today and the other leading New York banks and banks in other money centres followed suit.

At the end of a week which has seen considerable foreign central bank intervention on behalf of the dollar, the Fed's move on the discount rate may be seen as an important commitment gesture by the U.S. authorities.

Continued on Back Page

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INTEREST STATEMENTS
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Rolls in £100m Japan talks

BY LYNTON MCLEIN

ROLLS-ROYCE has started talks with the Japanese aerospace industry on a £100m programme to develop the proposed RB 432 engine for a new generation of civil and military aircraft.

The joint programme, if agreed, will have an important long-term bearing on the future development of Rolls-Royce and on the growing Japanese aircraft industry.

Both sides would have much to gain from collaboration with Rolls transferring its technology in return for possible guarantees on Japanese outlets for its new, advanced technology engines.

The RB 432 engine will replace the Spey power plant used on Trident and RAF Phantom fighter aircraft, and Rolls-Royce expects by 1980 to sell up to 5,000 of the engines for new aircraft, including the Fokker-VFW F28 regional jet.

Japan has a small and experimental programme to develop its own turbofan engines, including the FJR 710/20, which will be fitted to a short-take-off version of the Kawasaki C-1 transport, but the country is anxious to benefit from Rolls-Royce's long experience in engine design.

Last month the Japanese Civil Transport Development Corporation signed a risk-sharing agreement with Boeing to build parts of the proposed 787 airliner. This type of development and others involving Japan's biggest companies, including Mitsubishi, Kawasaki and Fuji Heavy Industries, are expected to push Japan into the same aerospace industry league as Britain and France by the late 1980s.

Rolls-Royce was reluctant last night, Sir Kenneth Keith, the company's chairman, did say it was in discussion with a "very powerful potential partner with a view to producing the RB 432 for an in-service date of 1985 to 1988."

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OVERSEAS NEWS

Japanese economic decline blamed on yen revaluation

BY CHARLES SMITH

TOKYO, Oct. 13.

THE REVALUATION of the Yen—by 53 per cent since January 1977—is starting to produce a marked deflationary effect on the Japanese economy, the Economic Planning Agency said today in a monthly report.

The EPA stresses the recent fall in Japan's export volume, which is directly attributable to Yen revaluation, as the main cause of declining economic activity. Exports have fallen from year-ago levels on a volume basis for the past five months with the margin of the fall ranging from 2.5 per cent during the second quarter of the year to over 7 per cent in July.

The decline in exports is larger than estimated in the Government's economic plan and could prompt the Ministry of Inter-

national Trade and Industry to suspend the guidance to major industries to restrain overseas sales which has been in force since last spring.

The clearest indicator of declining economic activity on the domestic front is the industrial production index which the EPA expects to show a 0.2 per cent decline for the third quarter as compared with the April-June quarter. In the first two quarters of the year the index rose by 2.9 per cent and 1.7 per cent respectively. If the index continues to show a decline during the remaining months of the year, pressures will build up for the Government to introduce new regulatory measures either in the form of interest rate cuts or additional public spending.

Japan's wholesale price index fell 3.7 per cent from the level of the previous year in September, the Bank of Japan announced today. The fall was the steepest since January, 1959 and is attributed entirely to the impact of yen revaluation on the prices of imported materials.

The import price index for the month was down 21.8 per cent from last year.

The rise in wholesale prices will produce a marked impact on consumer prices after a time lag of some three to four months. This should mean that both of Japan's main price indices will reach levels well below those postulated in the Government's economic targets for fiscal year 1978. The provisional target for wholesale prices was a 1 per cent fall from the 1977 level.

Hope for NY press settlement

BY JOHN WYLES

NEW YORK, Oct. 13.

THE FIRST real prospect of a breakthrough in the dispute between the New York City's three daily papers for 63 days emerged late yesterday.

The pressmen's union and the publishers of the New York Times agreed in principle on a formula to be negotiated over the next few days. The settlement of the dispute is expected to be completed by the end of the month.

The New York Times, the New York Daily News and the New York Journal News have been in a bitter dispute over the right to publish certain information. The dispute has led to a series of court cases and has caused significant damage to the pressmen's union.

U.S. inflation plan attack

BY STEWART FLEMING

HOT SPRINGS, Oct. 13.

SENIOR EXECUTIVES of major U.S. corporations attending the half-yearly Business Council meeting in Virginia are firmly rejecting wage-price guidelines as an effective anti-inflation tool.

The Business Council, a group of 100 leading U.S. companies, has issued a statement saying that such guidelines are "unworkable" and "ineffective".

The council's statement says that the only way to control inflation is through market forces. It calls for a "voluntary" approach to wage and price controls, rather than government-imposed guidelines.

Today they met senior Carter Administration officials including Mr. Robert Strauss who has been heading the Administration's anti-inflation programme.

Mr. Strauss later conceded that he was disappointed with the effectiveness of this programme, and implicitly conceded that he was unlikely to be in charge of the next stage of the Administration's anti-inflation drive.

He expects that it will be a week or more before the package is finalised.

King talks on Belgian crisis

By Giles Merritt

A DETERMINED move to bring Belgium's 40-year-old political crisis to an end by forming a new Government while avoiding a general election became apparent in Brussels today.

Attempts at shoring up the six-party ruling coalition without recourse to the ballot box have been given a lead by King Baudouin, who yesterday called the country's political leaders to the palace for emergency talks.

Although the situation remains volatile, it seems likely that an "informateur" will shortly be appointed by the king to determine whether or not a new or reconstituted coalition is feasible without elections being called. Should he decide that a coalition is possible, a "formateur" will then be appointed as Premier-designate to negotiate the new Government's parliamentary base.

Chirau 'to meet Mugabe'

BY TONY HAWKINS

SALISBURY, Oct. 13.

Chief Jeremiah Chirau, the one member of the four-man Rhodesian Executive Council who is strongly in favour of an all-party conference, is trying to arrange a meeting with Mr. Robert Mugabe, leader of the external wing of ZANU.

The publicity secretary of Chief Chirau's ZUPU party, announcing this today, said the Chief was ready to meet Mr. Mugabe, provided the ZANU leader agreed.

Chief Chirau met Mr. Joshua Nkomo, the co-leader with Mr. Mugabe of the Patriotic Front, in London in July this year. The meeting was held by his party executive to his utmost to arrange an all-party conference, the ZUPU spokesman said.

Michael Holman adds from Lusaka: ZANU has demanded the extension of the United Party of Rhodesia from all future conferences on Rhodesia. In a statement issued in the

Mozambique capital, Maputo, in response to the visit to Washington of the four-man Rhodesian Executive Council, ZANU declared that the U.S. had "exceeded its jurisdiction as a mediator."

Acknowledging the right of the Carter Administration to admit "whoever it pleases," the statement continued: "By the same token it is within our rights to demand that states that have no legal right or interest in the Rhodesian constitutional situation should not have any presence at any future constitutional conference dealing with this matter. We now name the United States as one such state which must never attend."

A separate ZANU statement on Zambia's decision to reopen her southern route through Rhodesia has raised the fear that the guerrilla movement intends to sabotage the line

Cardinals enter conclave to choose a pastoral Pope

BY PAUL BETTS

THE 111 voting members of the Sacred College of Cardinals will assemble tomorrow in secrecy for the second time in barely two months to elect a new Pope. This follows the unexpected death of Pope John Paul I after a reign of 33 days, one of the briefest pontificates in the history of the Roman Catholic Church.

Pope John Paul's sudden death has left the Cardinals, who will start voting in the Sistine Chapel on Sunday, with a difficult choice. According to Giuseppe Cardinal Siri, Archbishop of Genoa, the election this time could take two or three days, whereas John Paul was selected after only one day's conclave and three ballots.

Cardinal Siri is himself among the Papabili, or possible candidates, together with Salvatore Cardinal Pappalardo, the Archbishop of Palermo, Cardinal Ugo, the Archbishop of Naples, and Antonio Cardinal Poma, Archbishop of Bologna.

At the last election, Cardinal Siri, who is generally regarded as a conservative, is understood to have gained substantial support during the voting.

However, the Cardinals are likely to choose a Pope in the mould of the late John Paul, the former Archbishop of Venice, who was theologically conservative but who in his brief pontificate won an enormous sympathy because of his simplicity and his pastoral vocation. While the choice may be a difficult one, the actual issues facing the Church have not changed in the past month.

Swedish cabinet to be named next week

BY WILLIAM DUFFLORCE

MR. OLA ULISTEN, the Liberal leader, became Sweden's new Prime Minister today with only 38 parliamentary votes from his own party in his favour. In the 349-member Riksdag (parliament) the Moderates (Conservative) and Communists voted against him but the abstention of the Social Democrats and Centre Party won him the job.

Under the Swedish constitution a Prime Minister is appointed if there is no majority against him in the Riksdag. Mr. Ullsten will present his single-party cabinet to the Riksdag next Wednesday. It is expected to include a number of outsiders without formal links to any political party.

Mr. Ullsten's appointment ends the government crisis, which started last week with the collapse after only two years in office of the Liberal party government. Sweden has had for 44 years. His task will be to run the country until the next general election due in September, when, to judge by current opinion polls, the way is open for the return to power of Mr. Olof Palme and his Social Democrats.

Mr. Ullsten has neither the finger-finger political touch of Mr. Palme nor the more folksy, popular appeal of his immediate predecessor, Mr. Thorbjörn Fälldin. He belongs to the Riksdag's second-smallest party, which has led for only seven months.

But at his first press conference as premier this afternoon he stressed that his Liberal government intended to play more than a caretaker role. It would try to put together parliamentary majorities for action against unemployment, reinforcement of the economy and an energy programme which would include "tighter control" over nuclear power plants.

Chance has played a large role in the political career of Sweden's new Premier. This year alone the surprise resignation of his predecessor, Mr. Per Ahlmark, brought him to the leadership of the Liberal party just in time to take advantage of the equally unexpected resignation of Mr. Fälldin from the Premiership.

Having joined the Liberal party in the late 1960s, only a few postal votes kept him in the Riksdag, in the 1973 election. In the 1973 election he lost his seat but got it back when the Social Democrat government sent the man above him on the

Liberal list abroad as an ambassador.

The new Premier is regarded as belonging to the left-wing of his party but his young hawk feel he has been pulled to the right by the demands of leadership. He has reputation as a hard worker, with a practical non-sensational approach to business and political prudence.



Ola Ullsten

STOCKHOLM, Oct. 13.

In the previous coalition government he was responsible for foreign aid and immigration. His television appearance showed that he read his high and was unlikely to be out on matters of detail. The year he handled an average terrorist case with both hands, he recovered but still left a mark on the public mind.

His party is at the moment in decline. In the 1960s, in early 1960s it was second only to the Social Democrats, the 11 per cent of the votes it got in 1973 election represented a recovery but still left it far behind the Centre Party and the Moderates.

It has two main roots: intellectual, urban, liberal and in the free church, and a shorter working week for parents with young children. They tried to reintroduce the doctor to the Swedish health system and want to join the trade unions from reorganising their members collectively in the Social-Democratic party.

Dutch work on China harbour deal

By Charles Batchelor

AMSTERDAM, Oct. 13.

A CONSORTIUM of four Dutch construction companies expect shortly to sign a contract worth around \$1.5 billion to carry out harbour works in China.

The companies involved are Bos Kalis Westminster, Hollandsche Beton Groep, Adriani Volkmar and Stevin. The specialist shipbuilding group, IHC, is expected to supply dredging equipment.

Complete details of the contract are not yet available but it is thought to involve work on the mouth of the Yangtze River to improve access to Shanghai and Nanjing.

This is the first major contract booked by Dutch construction companies in China.

The order is the result of a recent visit to China by a trade mission organised by the Dutch Centre for Trade Promotion (NCH) and the Ministry of Transport and Waterways.

A senior official from the trade centre is expected to go to China next week to carry out further talks, including a discussion of the financing of the deal. The Engineering Council, Office for Foreign Projects (NEDECO) will carry out the design work.

Giscard call for action on jobs

BY DAVID WHITE

PARIS, Oct. 13.

THE FRENCH President Valéry Giscard d'Estaing, in compliance with his own special code of political etiquette, has sent an open letter to Prime Minister Raymond Barre reminding him of the priorities by which he expects the Government to be guided.

The letter, addressed to "my dear Prime Minister," refers back to a similar missive published after the Government's election victory in March, when the President sent M. Barre off in search of economic development, more justice, and more responsibility for local authorities.

Economic recovery topped the priority list for the following six months the President now says. The main elements in this, he says, are making French goods more competitive and cutting back on inflation. Economic policy, he added, should always bear in mind the aim of reducing social inequality.

At the same time, the Government should concern itself with transitional employment problems and the introduction of new preventive measures. The letter closed with an evocation of "the future of France," which the President wanted to figure as the guiding "obsession" of his Ministers.

M. Barre has meanwhile invited parties on both sides of the House to talk on reforms in France's electoral system. On the Opposition side, the Socialist Party and the left-wing Radical Party both accepted despite a firm refusal from the Communist Party.

The discussions will centre on three proposals put forward by the President—limitation on the number of elected posts, proportional representation in local elections in his towns and campaign funding laws.

Reuter reports from Paris that M. Robert Bouillon, the French Labour Minister, said today in Nantes that the Government will soon publish a plan to aid the shipbuilding industry. The plan is intended to resolve the social and economic problems at present affecting the industry, the Minister said. He said the industry is "not yet" over capacity in his town and that it is "not yet" over capacity in his town and that it is "not yet" over capacity in his town.

Several years plan large-scale layoffs.

THE NAMIBIA TALKS

Two perceptions of reality

BY QUENTIN PEEL IN WINDHOEK

AS THE Foreign Ministers of the five western member states of the UN Security Council prepare to visit South Africa to try and avert a direct confrontation between the Pretoria regime and the UN over the future of Namibia (South West Africa), preparations for unilateral elections here are already well advanced.

A team of up to 500 electoral officials has covered the huge and sparsely populated territory registering voters, and so far claim to have done so for more than 88 per cent of the number they first estimated would be eligible—some 392,000 out of an estimated 443,000.

Battle lines have been drawn between the political parties: three, all to the political right of centre, have declared their intention of taking part and three, to the centre and left, have announced their decision to boycott the poll. However, officials are generally confident of achieving a respectable turnout, in spite of the boycott.

It is this entire exercise, launched without any international supervision, which the western ministers are hoping to head off in their talks in Pretoria with the South African Government. It threatens not only to abort 18 months of painstaking negotiations for a peaceful settlement of the territory, but also to precipitate well-nigh irresistible demands at the UN for punitive sanctions against South Africa.

The impending arrival of the western ministers, including Mr. Cyrus Vance, the U.S. Secretary of State, Dr. David Owen, the British Foreign Secretary, the Foreign Ministers of Canada and West Germany, and the Secretary of State for Foreign Affairs of France, constitutes possibly the most high-powered combined over the high-profile conflict in southern Africa. The fact that South Africa governs the territory under a mandate from the former League of Nations immediately places its actions there in the international arena. Any supposedly hostile act runs the risk of drawing in the UN, with its sanctions, with drastic consequences.

Dr. David Owen, the British Foreign Secretary, said in London yesterday that there is a slim chance of persuading South Africa to abandon its internal elections in Namibia, Mark Webster reports. Speaking before he flew to Namibia for weekend talks with local politicians, he said it would be wrong to be optimistic but he felt he could still persuade South Africa to change its mind over the elections because it was in Pretoria's own interest. He felt the gap between the South African Government and the UN proposals for the territory—rejected by Pretoria—were not very great.

Sequences from the extensive western economic interests in South Africa itself. But at the same time it is Namibia, rather than Rhodesia, which has offered the one prospect of achieving a peaceful accommodation along the lines of the western peace plan for the territory. That plan for a ceasefire and free elections, might have been used as a model for progress towards some accommodation both in Rhodesia itself, and ultimately even in South Africa.

The western ministers have until a Security Council meeting on October 23 to persuade the South African Government to change its mind on the elections and revert to the UN plan, which would provide for substantial UN supervision, as well as the installation of a peacekeeping force of up to 7,500 men. Their chances of success depend on their powers of persuading South Africa that the danger of confrontation outweighs the benefits of going it alone in the territory.

Observers in Pretoria and Windhoek are virtually unani-

mous in their belief that South Africa is not going to commit itself to its elections in December. Although the overt reasons for going it alone were practical—an objection to the number of UN troops, the lack of consultation, and the postponement of elections until next year—the underlying reasons are seen as far more fundamental. They include a basic mistrust of the UN, especially considering its traditional support for the South West African People's Organisation (SWAPO) whose guerrillas are fighting South African troops on the northern border, as well as a loss of faith in the western powers. "Rightly or wrongly, South Africa believes she has been taken for a ride every time (in the negotiations)," according to one senior South African official. When faced with pressure at the UN or from the African lobby, "the west backs under," he said. Even more fundamentally, the South African school of thought which argues that SWAPO must never be given a chance to win power in Namibia, appears to be in the ascendancy over the more pragmatic school, which suggests that South Africa's economic power would ensure an accommodation even with a radical regime. South African officials never believed that SWAPO would be prepared to take part in free elections. Its agreement to do so, under the UN plan, may have helped precipitate South Africa's decision to reject the plan.

Western diplomats place their faith in the continuing, South African insistence that "the door is still open" for further negotiations. The Pretoria regime has made it clear that this means that whatever assembly is elected in the December poll will be free to choose whether or not to revert to the UN plan, or press ahead towards an unrecognised independence. The foreign ministers are likely to make it clear that



such a solution will certainly not be enough to ward off UN action against South Africa.

With South Africa adamant that it will press ahead with its election, the area for compromise would have to concentrate on the ultimate status and decisions of the Elected Assembly.

The ministers are likely to press for a firm and public commitment from South Africa to revert to the UN plan immediately after the December elections. Without such a commitment, it is extremely unlikely that they could ward off the sanctions threat, although they would clearly oppose anything more than selective sanctions. On the other hand the South Africans will be under pressure from the political parties closest to them inside the territory—the Democratic Turnhalle Alliance and the National Front—to make any such advance commitment.

The problem remains that the South African Government and the Western powers have radically different perceptions of political realities, both within Southern Africa and internationally. Moreover, the South Africans see a clear divergence of interests.

"Maybe we are intransigent," a senior official says. "But if we went along with the Western plans, and something went wrong, we would have to live with the consequences. The Western powers would not. South Africa has to look after its own interests." Those interests, of course, include very substantial defence and economic investments in Namibia.

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General Information: The fund is a limited company, incorporated in England, and its shares are listed on the London Stock Exchange. It is a member of the Investment Association and the Association of British Funds.

For more information, contact Schlesinger Preference & Gilt Trust, 100 South Street, Dorking, Surrey, GU10 1AA. Tel: 0300 890000. Telex: 940000. Fax: 0300 890001.

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CONSERVATIVE CONFERENCE

LABOUR NEWS

Steel managers seek injunction

BY PHILIP BASSETT.

THE STEEL Industry Management Association will apply for an injunction to prevent the British Steel Corporation from closing its plant at its Glenrobert plant in Scotland until it has consulted the association.

The corporation and the TUC steel committee have agreed on an end on December 23, making 720 workers redundant.

Mr. Robert Muir, general secretary of the association, told its annual conference in Harrogate yesterday that it would be applying to the Court of Session in Edinburgh for an interim order to prevent closure at the plant.

If the move is agreed in court, the corporation will be unable to begin closure of the plant or processing of redundancies. The association represents 12,000 of the managers in the industry and has 46 members at Glenrobert. The move is bound to anger the TUC steel committee, which has agreed severance terms of £4,000 to £18,000 for workers made redundant at the plant's steel mills will be subject to a joint review.

Opposition from the workforce in any closure has been considerable. Closure would be bound to have a very adverse effect on an area with high unemployment and few job prospects.

The conference was bitter at the general lack of consultation by the corporation with its managers. Mr. Muir said that the corporation seemed "hell-bent" on imposing its blue-collar interference to prevent closure at the plant.

Mr. Roger Foulton, a national council member, said that Sir Charles Villiers, chairman of the corporation, knew nothing about the steelmaking or the industry, and that the "steel contract"—the corporation's participation plan with its workforce—was "a worthless as Chamberlain's piece of paper from Munich".

Sunday magazine blacked again

BY MAULINE CLARK, LABOUR STAFF

DISTRIBUTION of tomorrow's Sunday Times colour magazine in London and much of the Home Counties will be blacked by print union members for the second time this month.

The main newspaper should have uninterrupted production as a result of an agreement reached with a different group of print workers who took unofficial action last week. Times Newspapers said yesterday.

Disruption of the colour magazine comes as the latest in a series of unofficial industrial disputes which have led Times Newspapers to set a deadline at the end of next month for an agreement on a new dispute procedure with the print unions.

Action by members of the Society of Graphical and Allied Trades has continued in spite of a management decision this week to bring national leaders of the union into detailed discussions on a reformed dispute procedure.

The Glasgow Herald and Glasgow Evening Times, which have not appeared since Wednesday because of a dispute by print workers over outside setting of display advertisements, are expected to be back on the streets today. The publishers, George Outram, have the interim agreement of the Scottish graphical division of SOGAT to allow publication pending further talks on their claim, which is related to current negotiations about manning and wage levels for Outram's new plant at Albion Street.

Study

Management said yesterday that the SOGAT branch and Times own chapel officials had reserved their position until all members had the opportunity to study the management's comprehensive proposals.

The management of the Daily Telegraph, whose London editions have been lost for more than a week because of a dispute involving members of the National Graphical Association, met yesterday to consider its position. The chapel decided on Thursday to adjourn for a week following a breakdown in talks between management, chapel representatives, and London regional officials of the union.

In Glasgow, the management of the Daily Record and Sunday Mail warned the 1,000 workforce that redundancy notices may be issued next week to all staff, workers.

Strike threat over at Motor Show

TWO GROUPS of workers yesterday called off strikes which had threatened to wreck the Motor Show.

First, 300 electricians employed by contractors went back to work wiring stands at the National Exhibition Centre, near Birmingham, after unanimously accepting a pay deal.

Then 1,400 stand builders were made an offer which satisfied their pay claim, and abandoned their series of half-day stoppages within minutes of their scheduled walk-out.

Both groups had demanded consolidation of daily attendance allowances into basic pay and more overtime earnings.

Mr. David Kent, deputy director of the Society of Motor Manufacturers and Traders, said he was delighted. All the workers had declared their intention "to do their utmost to make up lost time."

Mr. Jerry Kunt, the show manager, said that the show should be ready not just for opening on Friday, but also for the Press preview on Wednesday.

"From the way everybody is working at the exhibition centre, it is clear that we will, after all, be able to show the world that Britain 'do it'."

The Duke of Kent will open the show at 11 o'clock on Friday, and more than 100 visitors are expected during the ten-day event.

Vickers workers walk out

MORE THAN 1,000 men at the Vickers engineering works at Newcastle-upon-Tyne went on strike yesterday because the company withdrew from a self-financing productivity deal which gave them an extra £4 a week.

The company, which handles mainly Ministry of Defence contracts, said it decided to abandon the scheme because of fears that it broke the Government pay code.

This followed the refusal of the engineering union's work committee to allow men to be transferred from one department to another, as the order book demanded.

The men, who have been receiving the extra money since mid-July, will not be asked to pay it back.

Goodyear strikers stay out

THE STRIKE over pay which has brought all car tyre production to a standstill at the Goodyear plant in Wolverhampton for five weeks is to go on.

The 340 strikers voted at a mass meeting yesterday to stay out until the company makes an offer of cash on the table.

The decision means that more than 800 workers will continue to be laid off by the dispute which has cost the company over £1m.

CPSA rules broken

A RIGHT-WINGER replaced a Communist yesterday in the leadership of the biggest civil service union, because of a breach of the constitution.

Mr. Peter Colman was elected junior vice-president of the 234,000-strong Civil and Public Services Association in May. The election was declared null and void yesterday because a number of branches did not vote, as they are required to by the constitution, for the candidates nominated by them before the annual conference.

Len Lever, president, declared Mrs. Kate Losinski, a Right-winger elected in Mr. Colman's place, and said the constitution had been breached across the union's political spectrum.

The association will have a new ballot for the entire national executive committee.

Thatcher offers collective bargaining

THE NEXT Conservative Government will follow a policy of "realistic, responsible collective bargaining, free from Government interference," Mrs. Margaret Thatcher, the party leader, told delegates yesterday in her speech winding up the Conservative Party Conference.

She ruled out the possibility of fixed wage guidelines and made it clear that pay settlements must vary according to the profitability of the individual company.

If wage demands were too high then the result would be bankruptcies and more unemployment.

Addressing her remarks to the trade union leaders, she said that the Labour Government did not believe in such a policy. Therefore, it could no longer be said that there was little to choose between the policies of the two major parties.

"Responsibility can't be defined by the Government setting

Restrictive practices are encrusted like barnacles on industrial life

a fixed per centage for everyone because the circumstances are different in every concern in the country, whether nationalised or free," she said.

Her message to the unions was: "It's up to you to act realistically in the light of all the facts, as the Government itself must do. If you demand too much, you will bargain your firm into bankruptcy and your members on to the dole. No one wants that."

Mrs. Thatcher pointed out that such an approach had worked well in other countries. It had also worked under 33 years of Conservative Government when Britain had performed better than under the present Labour Government.

There was applause as she said: "Let's make it work again. That is our message to the unions."

She reminded the union leaders that if the Government took too much in tax everyone would want higher wages. When the Government bailed out those

who bargained irresponsibly the money had to come out of the pockets of those who bargained responsibly.

If a government tried to level everyone down with "year after year of totally rigid income policies," then it destroyed incentives.

She attacked the Government's policy of employing sanctions to force companies who breached the pay guidelines.

"If a government enforces these policies which the under-world sanctions of blackmail and blacklists it undermines its own authority and Parliament."

The British disease had been the "us and them" philosophy and many in industry were still affected by this virus. They treated the factory not as a workplace but as a battlefield. When that happened, the idea that workers prospered with their company flew out of the window.

In a hard hitting passage, she went on: "You, the trade union leaders, have great power. You can use it well or use it badly. But look at the position of your members today and compare it with the position of workers in other free countries."

"Can you really say—can anyone say—you have used your powers well? You want higher wages, better pensions, shorter hours, more government spending, more investment, more, more, more."

She asked where that "more" was supposed to come from. There could be no more wealth unless we all produced it.

"You can no more separate pay from output than you can separate two blades of a pair of scissors and still have a sharp cutting edge."

In this respect, she said, the unions were often their worst enemies. Greater wealth was not created because, too often, restrictive practices robbed the workers of the one thing they had to sell—their productivity.

"Restrictive practices are encrusted like barnacles on industrial life," she went on. "We've been there for almost a century."

"They were designed to protect you from being exploited

but have become the chief obstacle to your prosperity. When two men insist on doing the work of one there is only half as much for each."

She said that she understood the fears of the unions but emphasised that they were wrong in their outlook. The right way to attack unemployment was to produce more goods more cheaply. Germany and Japan were doing this and had a large growing share of the British market.

"Both are winning your customers and taking your jobs," she told the unions.

She emphasised, too, that Germany had a strict control of the money supply, no rigid incomes policy, less State control and lower personal taxes. The unions there were on the side of the future, not re-fighting the battles of the past.

The Conservatives, she stressed, believe in encouraging free enterprise and profits. They believed in making substantial cuts in income tax and would create conditions in which the value of the money earned and saved could be protected.

She told the unions: "We will do these things. That I promise you. We'll play our part—you play yours responsibly."

Concentrating her fire on last week's events at Blackpool, Mrs. Thatcher claimed that as a result of the decisions taken by the

Labour conference, Britain now had a Prime Minister whose party had disowned his principle policy and destroyed the chief plank in its election strategy.

Until last week, that strategy had been simple—Labour would play its union card, the one called "special relationship."

The idea had been, she said, that a group of union leaders would try to persuade the country that if they were not allowed to call the tune there would be no music.

Mrs. Thatcher conceded that no union leader had ever actually said "I shall overturn a Conservative Government." It was always the union next door that was going to do that.

It had been intended that the so-called special relationship should be used to enable Labour candidates to counter charges based on the Government's record—which included the highest level of unemployment since the war, doubled prices and a stagnant economy by the claim that only Labour could keep the unions happy.

This, said Mrs. Thatcher, was to have been Labour's case when the election came.

"The election didn't come. Blackpool came—and with it, the great illumination."

"Today, Labour's policies are at a dead end, economically and politically. This is not something to crow about. We don't hope for a country in ruins so that we

can take over. We want to be elected because we could do better, not because we couldn't possibly do worse."

Mrs. Thatcher castigated the PM's television announcement that there would be no October general election as "the first broadcast ever to present a chronic case of cold feet as a noble act of patriotism."

When Parliament reassembled, she promised, Conservative MPs would do everything they could as a responsible opposition to end the present damaging uncertainty, to defeat the Government and to bring about a general election.

But she warned that before the present Parliament ended the Government might well indulge in one last wretched round of manipulation and inaneuvre.

There might be private deals, public pacts or cosy little understandings—"always in the national interest"—before the government was finally dragged, kicking and screaming, to the polls.

As conference roared approval, Mrs. Thatcher forecast: "The longer they wait, the harder they'll fall. But the harder ton will be our task of halting and reversing the decline of Britain."

The Conservative Party, she stressed, offered the nation nothing less than national revival—the deeply needed and long-awaited recovery of the country.

Mrs. Thatcher maintained that Britain's decline sprang from having been governed over the last four and a half years by men who lived by illusions.

These had included the illusion "that you could spend money you haven't earned without eventually going bankrupt or falling into the hands of your creditors."

Marxists in the Labour Party preached that class war was just, necessary and inevitable. "But if it is wrong to preach race hatred—and it is—why is it right to preach class hatred?"

Those who claimed that the Conservatives were a class party were standing the truth on its head. So too was the claim that the party was racist.

The Conservative determination to deal with the very real

problems of immigration control had inspired Labour in a shameful attempt to frighten the coloured population of Britain.

"Compulsory registration is not—and never will be—our policy. Anyone who tells you differently is deliberately misrepresenting us for his own ends."

Turning to the subject of law and order she said that when the rule of law broke down, families were unsafe, criminals prospered and the nightmare world of "A Clockwork Orange" became a reality.

"Here in Britain in the past few years, that world has become visibly nearer. We have seen the

'If it is wrong to preach race hatred, why is it right to preach class hatred' symptoms of the breakdown of the rule of law."

Dealing with foreign affairs, Mrs. Thatcher failed to make any mention of Rhodesia, although the continuation of sanctions against the Smith regime has caused bitter controversy at the conference.

It was also noticeable that the Common Market rated only a lukewarm mention in her speech when she said: "Unlike Labour, we shall make a success of our place in the Community."

Britain's relations with Russia and the need for us to maintain a strong defence force took up most of her attention.

She firmly rejected the demands made from some quarters for the withdrawal of the armed forces from Northern Ireland, and pledged that as long as Ulster wished to belong to the UK she would do so.

In her final passage, Mrs. Thatcher again returned to the theme of the differences that divided the Conservatives from the Labour Party. There was all the difference in the world and that would become very apparent if a Conservative Government were returned to power at the next General Election.

Words of advice

TO UNION LEADERS: "It's up to you to act realistically, in the light of all the facts."

TO THE PRIME MINISTER: "Last month, the nation was privileged to watch on TV the first broadcast ever to present a chronic case of cold feet as a noble act of patriotism."

TO THE LIBERAL LEADER: "Let me remind young Mr. Steel, millions of Conservatives were among those who spent five years fighting a war against racialism when he was still in short trousers."

TO IMMIGRANTS: "Your rights and responsibilities are the same as those of every other British citizen and your opportunities ought to be the same."

TO LAWBREAKERS: "You will find in the new Conservative Government a remorseless and implacable opponent."

TO VOTERS: "We must learn again to be one nation or one day we shall be no nation. That is our Conservative faith."

Patients to come first

A TORY Government will put the patient first in dealing with the National Health Service.

Mr. Patrick Jenkin, shadow services secretary, told delegates: "We must return decision-making to the point where patients are cared for."

"The closer decisions are taken to patients' care, the more likely it is that it will be patients and not some other interest that will be served."

Mr. Jenkin outlined the Conservative way ahead for Britain's Health Service in a simple plan:

- All available resources to be used to bring health care to the people and to cut waiting lists.
- Responsibility restored to the local level.
- Waste reduced by freeing health authorities from petty restrictions.
- The burden of bureaucracy cut.
- More resources channelled to patient care.

"Whether we talk about the structure of the service, or about the system of administration, or about the pay and conditions of staff, or about the financing of the service, our central objective must always be to serve the interests of patients."

The return of decision-making to the local level would help the re-establishment of "effective leadership."

Mr. Jenkin said: "There are many causes of bad industrial relations but lack of effective leadership on the ground guarantees trouble and trouble we have certainly had."

It was a "tragedy" that Britain's big hospitals had been allowed to become "fertile breeding grounds for every kind of industrial disruption." It was always the patients who suffered.

It could be time for a "Geneva Convention" on the Health Service which bound everyone—professions and unions alike—to observe the golden rule that patients must come first.

Bureaucracy in the Health Service had become a "nightmare," said Mr. Jenkin. The Conservative solution was a simplification by abolishing the area tier.

Tories' birthday bonanza

BY ELINOR GOODMAN

IT WAS all happy families in Brighton yesterday when the Tory conference reached its inevitable crescendo with a standing ovation for Mrs. Thatcher.

The combination of a pre-election rallying call to the troops and a birthday was heady stuff for the assembled representatives.

The conference hall took on the atmosphere of the Albert Hall on the last night of the Proms as younger young Conservatives waved their banners and chanted patriotic songs with a thoroughly wholesome vigour.

The promenaders might have sung Land of Hope and Glory but at least the Tories did not muffle the words of their songs like the Labour Party did in Blackpool last week.

The spirit of reconciliation and good will was in the air from the first session yesterday. Mr. Norman St. John Stevas, the party's shadow education secretary, was up nicely by singing the pill of comprehensive education with his own particular brand of wit.

A few self-deprecating jokes about Catholics and Pope Jim almost made the delegates forget their natural preference for his deputy, Dr. Rhodes Boyson.

After lunch, Mr. Kim Brindley did his bit to raise funds for the party with a fair imitation of a Butlin's Redcoat.

"Is everybody here a Conservative?" he bellowed. He got a fairly predictable response from an audience probably more familiar with the rules of bridge than housey-bousey. And then the Big Moment. To the tune of Happy Birthday, Mrs. Thatcher walked in, looking elegantly Britannic.

The audience took some time to respond to her speech but by the time she got to the bit about cutting taxes and strict money supply, the representatives had got the message and enthusiastically made the appropriate noises at the right time.

Not by nature a stand-up comic, Mrs. Thatcher has nevertheless developed a nice sense of timing. Dealing with Mr. Cal-

aghan's charge that the Shadow Cabinet is composed of notorious villains, she let her eyes roam slowly over the assembled team.

Her glance dwelled particularly lovingly on the potentially harmless features of Mr. William Whitelaw.

As befitted an occasion which was essentially Mrs. Thatcher's, nobody else tried to hog the limelight.

The one person missing from this great celebration was, of course, Mr. Heath. He is not thought to have sent her a birthday card though he was undoubtedly at the closing session in spirit.

Curiously, if the former leader of another party, Mr. Jeremy Thorpe, who came closer to getting on the platform.

The Young Conservatives presented Mrs. Thatcher with a suitably Paulding Bear, complete with the south-west and Wellington boots so beloved by the former Liberal leader on his hoversat excursions during the last election.

Proposals to stop gazumping

CONSERVATIVE policy proposals aimed at eliminating gazumping of house prices are to be produced soon.

Gazumping is the much criticised abuse which occurs when a vendor sells to a higher bidder, thus involving the original would-be purchaser in heavy losses.

With house prices once more rising steeply, the Tories are anxious to have a policy on gazumping which they can put into effect if they are returned to power at the next general election.

This will be one of the subjects dealt with by Mr. Hugh Ross, the party spokesman on building and land, in a policy pamphlet on which he is now working.

"We are thinking of ways in which we can eliminate the problem of gazumping," he told delegates.

He did not elaborate on the proposals but two possibilities are under consideration.

One is that the vendor would have to recompense the would-be

purchaser for any losses incurred as a result of gazumping.

The other scheme—which is far more likely to be adopted—is for the streamlining of professional practices to shorten the eight weeks which is now the average period for the completion of a sale.

This would entail the purchaser having far swifter access to results of preliminary inquiries and replies to searches.

Another possibility is that the purchaser would receive a certificate from the vendor saying that the house was in sound structural condition.

Mr. Rossi said that a Conservative government would seek to protect home buyers from excessive increases in mortgage interest rates. They would also do something to increase the exemptions from house purchase stamp duty.

He attacked the Labour Government's policy of mortgage rationing and warned that unless there was an increase in the flow of mortgages, house building could fall off rapidly.

Housing starts could drop to the 1977 level of 135,000, the second lowest total in 20 years.

The Tories, he said, would give first-time grants to owner-occupiers and would also introduce equity sharing schemes to make home ownership far easier.

They would repeal the Community Land Act and planning procedures would be revised to enable applications to be processed far more speedily.

The conference adopted a resolution stating that housing problems could best be solved by private investment leading to a home ownership rather than public investment leading to dependence on the state.

It called on the next Conservative government to adopt a long-term housing strategy aimed at making home ownership possible to all.

An amendment was also adopted, recognising that this strategy must be complemented by the need to improve living standards on council estates.



Dr. Rhodes Boyson (left) and Mr. Norman St. John Stevas

Education pledge

LOCAL EDUCATION authorities battling to preserve grammar schools were again urged to take their fight to full legal limit by Mr. Norman St. John Stevas, the shadow education secretary.

Amid cheers, he announced that the first Queen's Speech introduced by Mrs. Margaret Thatcher as Prime Minister would include a Bill to repeal the 1976 Education Act under which the Government is now compelling recalcitrant councils to establish comprehensive schools.

Mr. St. John Stevas, whose lively and hard-hitting speech was sustained applause, called on local education authorities to do everything in their power within the law, to ensure that not a single grammar school was lost which would have been saved had Mr. Callaghan's "cowardice" not prevented a Conservative election victory this month.

The incoming Government would act on the basis that time was of the essence, and the repeal Bill, in restoring to local education authorities the freedom to organise their schools in the way they thought best, would also enable them to take up places in schools in the private sector if they wished to do so.

He looked to these provisions to aid the direct grant schools through the restoration of local authority assisted places on a statutory basis so that it would never again be possible for them to be ended by Ministerial edict.

Mr. St. John Stevas underlined the party's concern for raising standards in comprehensive schools and assured parents of the 80 per cent of the nation's children educated in them that they had no need to fear another organisational earthquake.

"Comprehensives must be free to specialise in subjects such as foreign languages, mathematics,

Conference reports
by Richard Evans,
Ivor Owen, John Hunt
and Elinor Goodman.
Pictures by
Freddie Mansfield

TARGET PACIFIC

A NEW FUND

INTRODUCTORY OFFER CLOSING 20.10.78

A growth area with outstanding potential

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Overall Target feels that the Pacific is an area in which investors should have an interest. There exists no easier nor more efficient way of doing so than through a unit trust like Target Pacific Fund with its inherent wide spread of investments which the individual investor of modest means could not achieve himself.

The investments will be chosen from the wide range of sound companies operating in the Pacific for their growth potential. To reduce the effect of the fluctuations in the investment currency premium, a multi-currency loan facility of US \$1 million and backed by sterling deposits has been arranged.

THE FUND, formerly Target Pacific National Fund was incorporated with the approval of the Securities and Investments Commission on 13th September 1978. APPLICATIONS and cheques will not be acknowledged but certificates will be sent within 10 days. YOU MAY SELL YOUR UNITS at any time at a price not less than that calculated by the Department of Trade regulations. Payment will be made within 10 days of receipt of the unit certificate. The price of units will be quoted daily in the national press. AN INITIAL CHARGE of 5% is included in the sale price of units out of which the Managers will pay a commission of 1% to qualified agents. THE MANAGERS reserve the right to close the offer before the date stated if the offer is oversubscribed by more than 25%. After the close of the offer units will be available at the daily price. IF YOU BUY REINVESTMENT UNITS income rate of basic rate will be deducted from the gross income of the fund. The first payment is due on 15th October 1978. An annual charge of 0.375% of the value of the fund plus VAT will be deducted from the gross income of the fund. TRUSTEES: Midland Bank Trust Company Limited, MANAGERS: Target Trust Managers Limited (a member of the Unit Trust Association) Telephone: 01-600 7633.

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Source - Money Management and Unitfund - September 1978

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If there are joint applicants all must sign and attach names and addresses separately.
PLEASE WRITE IN BLOCK LETTERS - THE CERTIFICATE WILL BE PREPARED FROM THIS FORM.

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YOUR SAVINGS 2

Service charges

BY OUR LEGAL STAFF

I recently bought a flat and have now received from the agents a request to pay service charges of over £600 for the years 1973, 1975 and 1976.

The contract was the Law Society's Contract for Sale (1973). One of the special conditions was:

"The receipt for the last rent accrued due previous to the date of actual completion shall be accepted as conclusive evidence of the performance and observance of all the covenants and conditions on the part of the tenant contained in the lease."

Bearing in mind the above, is the vendor who was the tenant in the years 1973 to 1976 liable to indemnify me against any service charges I may have to pay to the landlords for periods prior to completion?

Second, in the service charge

accounts for the year 1976, there is included a sum of £6,156.20 for external decorations. Do you think S.124 of the Housing Act, 1974, could be applicable to this sum?

Third, the lease provides that as soon as practicable after the expiration of an accounting period, the agents shall serve on the tenant a certificate showing the service charge payable for that period. Can the agents serve such a certificate relating to 1973 or 1974 (or even 1975 or 1976) now?

If you are obliged to pay the service charges, your vendor would be liable to indemnify you. We cannot tell without the relevant terms of the lease, whether you are so liable. You

should inquire of the solicitors who acted on your purchase why the position as to service charges was not resolved before completion. It seems likely that Section 124 of the Housing Act, 1974, applies—however that section is so badly drafted that it is difficult to know what effect, if any, the section has.

It is very doubtful if you can rely on that section to any good purpose. Your last point may prove more effective, but much will depend on the facts of the case. We think your best approach is likely to be along the lines of your not being a contractual tenant of the landlord and not being liable for charges relating to a period before you became tenant (if the wording of the lease does not prevent such an argument).

FINANCE AND THE FAMILY

Probate not necessary

Under my husband's will I am sole executrix and beneficiary of his very modest estate. He has a son by a former marriage, who is quite well off and who gives the impression that he does not altogether approve of these arrangements. I understand that it is not always necessary in small estates to obtain probate, but in the circumstances, would it be advisable to do so?

Provided the will has been executed in proper form there appears to be nothing to impede your becoming absolutely entitled to all the property which remains vested in your husband on his death. Whether there is sufficient in his estate to warrant your proving the will is a matter which can only be resolved after his death, but it may well be worth your while proving the will in order fully to set your own mind at rest.

Home for separated wife

Our house is at present under mortgage and I would like to increase the mortgage on it to raise the capital for a flat for my wife. Could I increase the mortgage on my existing home with my present Building Society to obtain the necessary capital and obtain tax relief on the increased sum, or also, on the present Building Society's unutilised, could I mortgage the total amount with another Building Society and still obtain tax relief on the total sum?

The answer to both parts of the question in your second paragraph is yes, in principle.

You will find guidance in a free booklet IR11 (Tax treatment of interest paid) which is obtainable from most tax inspectors' offices. The rules are complex, and there are pitfalls to read the booklet carefully. You will find the points which breach of covenant. This is a complex area of the law and the precise terms of the lease must be carefully reviewed to ascertain whether there has indeed been a breach of covenant. You should not accept any payment of rent under the lease from any source until you have resolved the matter.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Forfeiting a lease

I gave a mortgage and a long lease to a man for a flat which he has left and gone abroad, apparently to live. Another man now occupies it who says he is a relative. The lease says the flat must not be sublet without my permission. What do you advise?

You would be wise to consult a solicitor with a view to obtaining possession of the property by forfeiting the lease for breach of covenant. This is a complex area of the law and the precise terms of the lease must be carefully reviewed to ascertain whether there has indeed been a breach of covenant. You should not accept any payment of rent under the lease from any source until you have resolved the matter.

Licences and tenants

If two tenants share a furnished flat (without a resident landlord) each having his own bedroom but using in common the lounge/dining room, kitchen, bathroom and we, entrance hall and garden and sharing the cost of services and telephone, would the Rent Act apply?

Alice in the world of CGT

ANALYSIS of association of ideas can tell a psychologist or psychiatrist rather more about the ideas-man than the subject often realises. Those of us who do not relish having our heads publicly shrunk are therefore somewhat chary of disclosing too freely our own associations—look what analysis has done for Lewis Carroll. Had his genius been less, "done for" would be the appropriate phrase.

With that preface, is it appropriate to admit that Alice herself has always seemed the correct association for the capital gains tax rules for chattels. The law appears at first so rational and logical, that its sideways shift into fantasy is a never failing surprise. Curiouser and curiously, as Alice might have said.

Capital gains tax applies on the disposal of all assets, but there are three groups of exceptions. First, certain events, although in fact resulting in the disposal of assets are treated as not triggering off any chargeable gain. Death is the prime example of the non-event.

Secondly, reliefs built into the structure of the tax eliminate liability on certain disposals, and thirdly there are specific assets which are exempted from the tax. It is in the area in which certain of these second and third exceptional categories interrelate that it is possible to wonder whether one wakes or dreams.

If a chattel is sold for less than £2,000 any gain is exempt from tax. If the proceeds are over £2,000, the gain is chargeable. But there is a tapering relief where the proceeds do not greatly exceed that amount. The gain is first computed in the normal way as the difference between proceeds and cost; then that first stage gain is reduced by the difference between itself and five-thirds of the excess of proceeds over £2,000.

Proceeds £2,900
Cost 1,200

First stage gain 1,700

Five-thirds of 2,900 minus 1,500 200

Chargeable gain £1,500

It will be noticed that the outcome will inevitably be that the chargeable gain will be the lower of two figures, namely five-thirds of the excess pro-

ceeds, and the first stage gain. Because the latter depends on cost as well as proceeds, there can be a single level of proceeds which marks the point at which the relief ceases.

A chattel is, however, one of the assets which is completely exempted from tax if it is wasting. What is and what is not a wasting asset is complex. The starting point is that the asset must have a life expectancy of less than 50 years.

Options are specifically excluded, and although leases of land start to waste when they have less than 50 years to run, a separate article.

All plant and machinery is specifically deemed to have an expected life of less than 50 years. We are probably reasonably clear what machinery is, but plant means different things to different people. What it meant to Lord Justice Lindley was "whatever apparatus is used by a businessman for carrying on his business—not his stock-in-trade which he buys or makes for sale—but all goods and chattels, fixed or movable, live or dead, which he keeps for permanent employment in his business."

That seems explicit enough. If one's business is managing a marina and also hiring out boats, this necessitates the use of a motor cutter for checking buoys and moorings, and then that cutter would undoubtedly be plant, and therefore a wasting asset.

Unfortunately the Revenue recognise that taxpayers' lives would be too simple if the law stopped there. The marina manager's cutter is a business asset, and therefore despite being plant and wasting, it is specifically brought back inside the scope of capital gains tax. It seems reasonably clear that an identical cutter owned by someone who uses it only for pleasure not business is the asset which the legislators wished to take outside the capital gains tax. When the law was written, it seemed likely that boats would generate capital losses rather than profits. This was so even though a wasting asset computation requires

that sale proceeds may have deducted from them only a "wasted" proportion of the asset's original cost. Exempting yachts looked like a good way of increasing the take of the tax.

In the looking glass world which we now inhabit, everything is reversed. Business use would make a yacht into plant, but business use would also make it taxable. But contrary to a non-business yacht profitable, or loss generating, seems, because of that non-use, assets.

to be outside Lord Lindley's definition of plant. Therefore an owner can only escape tax if one can certainly predict its life to be less than 50 years. Even the experts are unwilling to make predictions about the staying power of modern construction methods. And those same experts would hesitate if one legislators were now to ask whether yachts are predictable, or loss generating, seems, because of that non-use, assets.

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YOUR SAVINGS AND INVESTMENTS 3

Household changes

PERHAPS LIKE many another house owner, you regularly have a look in the windows of your local estate agent to see how the value of your major investment is moving. If so you will not have been surprised to see this week's statement by the Nationwide Building Society on the change of house prices over the past 12 months. An average rise of 21 per cent has been recorded, with little difference between the average increase of prices for new and second-hand houses.

House prices have moved at about twice the speed of the annual rate of inflation, in the past year, and this movement must be compared with the increase in the building costs index of a little over 9 per cent. In more stable financial times it used to be sensible to calculate that the market value of the modern domestic house was the aggregate of the value of the land on which it stood together with the building costs, but in the past few years, particularly in the 1975-77 period, building costs had been subjected to greater inflationary pressures than had house prices so that the mathematics of the equation had gone awry. Now the balance has to some extent been restored and certainly in the case of most modern homes, market value should now be greater than building costs.

This is important when you come to insure your home for it is the building costs — or rather the re-building costs from the ground up assuming total destruction, for which you should insure, and upon which insurers base your premiums. It is to building costs, not market values, that insurers index their household policies. However, in a few cases insurers may be prepared to have market value used as a premium rating yardstick and as a financial limit of liability — usually where the property is old.

Over the last year the durable household goods section of the retail price index has moved up just under 9 per cent and it is to this index that insurers link contents sums insured. So holders of index linked policies whether buildings or contents sue about now can expect to

INSURANCE

JOHN PHILIP

in their renewal notices showing sums insured up by around 10 per cent and premiums by his amount as well.

But as the winter months go in it is not only the movement of these indices that will affect the premiums that insurers will be charging. On the contents side it seems that many insurers will be moving away from the long standard 25p per cent basic rate, and that by next summer and perhaps sooner, many if not most insurers will have raised this basic rate to 50p and will be applying different, higher, rates in some of the large provincial cities and in the London area.

A portent for 1979 is conveyed in the September Agents Information Bulletin issued by Sun Alliance and London which among British insurers has the largest household insurance account.

On contents, as distinct from buildings, the varying incidence of crime predicates differential rating by district, and SAL has clearly been doing a lot of detailed analysis of its claims on all over the country. For the future SAL will have four content rating areas. Attracting the top rate will be risks in the inner London area, and these will have to pay 75p per cent, three times the old basic rate.

Those in outer London, the Metropolitan Police area and some of the dormitory towns further away like Guildford, Easing and Tunbridge Wells, will have to pay 50p per cent, a 40p per cent come ten large towns and their suburbs, including Glasgow, Birmingham, Liverpool, Manchester and Newcastle, while 30p per cent is the new basic rate for the rest of the country.

These rates are specifically for new policies sold by SAL from November 1 and not for renewals of existing business in which more information is required by insurers later. Seemingly SAL is planning some degree of cushioning of its existing body of policyholders against these new prices, though it is debatable how long it is as for the company to incur the administrative complication of two distinct rating areas and how long it is equitable to charge new policyholders more than old.

Means of indirect investment

time of the switch. In particular, the investor can now switch into a cash fund, which is equivalent to going liquid with a private portfolio.

With many life companies, however, the investor is offered

BONDS

ERIC SHORT

only one equity fund. Switches are made between other sorts of investment funds, such as property, gilt and managed funds. However well managed the equity fund, it is bound to be widely spread, with perhaps a part invested overseas. So life companies going through a managed aged bond do not have the opportunity of going for specialised sectors or over the complexities of switching seas in a big way. In addition, unit trusts. And no capital gains some of the funds have grown tax liability is incurred at the

equity fund recently passed the £100m mark) that the proportions are generally only varied by altering the investment of new money—which is a slow process. Some life companies have endeavoured to combine the choice given by unit trust investment with the flexibility in switching which a life bond offers, by linking with a unit trust group and offering investors these unit trusts as well as the in-house equity fund. Lloyd's Life has linked with Gartmore and ANEV with Framlington. So, for instance, the investor holding a Lloyd's Life bond can switch to Japanese equities, through the Gartmore Far East Trust.

The table shows the choice available to investors with certain linked life companies. But you should remember that it is easy to get the timing wrong, and professional advice is usually worth seeking.

Company	Equity funds available
Abbey Life	Internal fund investing both directly and in the Abbey unit trusts
Hambro Life	Internal fund investing in 17 unit trusts managed by Allied Hambro
Vanbrugh Life	Internal fund
Hill Samuel Life	Internal fund together with five trusts in the Hill Samuel unit trust group
Lloyd's Life	Internal fund together with most trusts in the Gartmore range. Most of the S & P unit trusts
Save and Prosper	Three internal funds — UK equity, American and International — plus the Schlesinger Income and Extra Income trusts
Trident Life	AMEV Internal fund plus three Framlington trusts

Introducing an Italian

LAST WEEK a new name appeared in the list of life companies that market guaranteed income and growth bonds — Assicurazioni Generali di Trieste e Venezia.

The bond itself has no special features to distinguish it from other bonds, although the yield offered is very competitive. But the history of the company itself is fascinating.

Known on the London market as Generali, it is one of the oldest insurance companies in Italy. It was established in Trieste nearly 150 years ago, in 1831. Therefore, as students of pre-1914 European history will know, it was originally an Austro-Hungarian business, since Trieste was part of the Austro-Hungarian Empire — shades of Franz Joseph and Vienna.

But since it operated from Venice as well as Trieste, the company had a strong Italian connection even before the collapse of the Austro-Hungarian Empire at the end of the First World War and the incorporation of Trieste into Italy. The group is now one of the top five insurance companies established within the EEC, and it writes both general and life business. It has operated in London for over 50 years and has been very competitive in the group life market. Now it intends to expand into the personal life side.

IN RETIREMENT: WHAT YOUR TAX RATE OUGHT TO BE

Single person aged 65+	Married couple, either partner of which is aged 65+
Total income (gross) up to	Total income (gross) up to
£	£
1,300	2,075
2,050	2,825
4,000	4,000
4,472.50	4,810
8,945	9,525
9,985	10,535
10,985	11,535
11,985	12,535
12,485	14,035
14,985	15,535
16,985	17,535
19,485	20,035
24,985	25,535
Remainder	83

* Because of reduction in age allowance: see text.

Mea culpa, mea culpa

OH DEAR! A long time ago, have written in to point it out, when I was still fairly new to many thanks: to all of you, this job, I discovered that it apologetic. The correct table is was dangerous to write about set out.

The figures are worked out on the assumption that you have no allowances other than (initially) age allowance, which is cut back once your income tops £4,000 per annum until it is reduced to the level of the normal personal allowance.

Effectively what this means is that on a narrow band of income in excess of £4,000 you will find Well, last week I ventured into this territory again, and I run income tax still falls well short of the £8,000 per annum at which in the table on retirement higher rate tax nominally becomes payable. If you have income in excess of £8,000 in a quantity sufficient to expose you to was in fact a simple arithmetical blunder which did the worst of the damage. To those who rate will of course be higher.

RETIREMENT

ADRIENNE GLEESON

the way of readership response. I was last week I ventured into this territory again, and I run income tax still falls well short of the £8,000 per annum at which in the table on retirement higher rate tax nominally becomes payable. If you have income in excess of £8,000 in a quantity sufficient to expose you to was in fact a simple arithmetical blunder which did the worst of the damage. To those who rate will of course be higher.

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Over 9% from all-equity portfolio. Quarterly distribution.

Despite current political uncertainties the climate for share investment in the UK is better than it has been for some time. There is a growing recognition of the essential part played by the private sector, inflation has slowed and North Sea oil continues to make a growing contribution to our balance of payments.

On the investment front, a high level of income is currently obtainable, and the Managers believe that the Trust's aim is a realistic one: to provide UK investors with a high and growing income together with long-term capital appreciation. To achieve this the managers will invest in both large and smaller capitalisation companies in an all-equity portfolio. The estimated gross initial yield is 9.25%.

Units in the Trust are on offer at a fixed price of 50 pence until 20th October 1978. You should regard your investment as a long-term one.

You should remember that the price of units and the income from them can go down as well as up.

Expert management

The Executive Directors of Craigmount, through a widespread network of professional advisers, have immediate and comprehensive information on the UK market, economic trends and company performance. They also have long experience in fund management in the UK.

How to invest

The minimum initial investment is £1,000. You can buy units at the initial offer price of 50 pence by completing the application form

and sending it, with your cheque for the amount you wish to invest, before 20th October 1978. You can normally expect to receive the certificate within a month of purchase.

FIXED PRICE OFFER

CLOSES 20th OCTOBER 1978

Other information

Distribution of net income will be made quarterly on the last day of February, May, August and November. The first distribution will be on 28th February 1979.

After the initial offer closes, units may be bought and sold at the prevailing offer and bid prices, and yield, which are published every day in leading newspapers under normal circumstances.

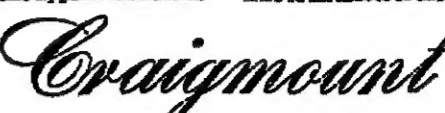
The offer price of units includes an initial charge of 10%. An annual management charge of 0.5% (VAT of the value of the Trust is deducted from the gross income).

To sell your units, simply return your certificate endorsed on the back. You will receive your money not later than 7 days after the Stock Exchange Account Day relevant to the period during which the units are sold.

The management company is Craigmount Unit Trust Managers, a member of the Unit Trust Association. The Directors are: Kenneth M. Benton (Chairman) and Managing Director, Richard H. R. Latham, Robert R. G. Armstrong, and Sir Edward Goschen, Bart, DSO (non-executive).

Commission of 1% will be paid to recognised agents.

The Bank of Scotland, The Mound, Edinburgh, is the Trustee to the Trust, and as such holds the title to all assets of the Trust.



APPLICATION FORM

To: Craigmount Unit Trust Managers Limited,
100 Victoria Street, London EC1A 3LL.
Tel: 01-494 5221.

Signature (in full name) _____

Print name _____

Address _____

Signature (if not the same as above) _____

Date _____

Completed and signed form, with cheque for £1,000, should be sent to the above address.

This offer is not available to residents of the Republic of Ireland.

FT 2A

£25,000

It's an investment we take as seriously as you do.

Not so long ago investments of £25,000 were sufficient to command considerable respect and real personal attention from even the grandest firms of stockbrokers and merchant banks. After all, such a sum was capable, even after the last war, of producing enough income to keep a person of independent means comfortably independent.

Now, nobody would maintain that £25,000 is still the commanding sum it used to be. Inflation and escalating taxation on "unearned" incomes have combined to rob it of much of its previous significance. As a result it can be difficult to find an appropriate level of investment management for a portfolio of this size. It is no longer realistic, for instance, to expect a stockbroker to give such a portfolio the daily personal attention which is the essence of his profession.

The "investment revolution" of the past 15 years has, of course, ensured that all private investors have access through unit trusts and investment bonds to the very highest standards of professional management and constant fund supervision. But, in consequence, the investor with £25,000 is now often advised to settle for precisely the same investment management service as the investor with £2,500 — or even £250 — to his name.

Naturally, all private investors, large or small, are concerned to give their money the advantages of first-class management and security, while minimising the impact of taxation. But at Vanbrugh we have become convinced that there is a point where some investors need a greater degree of service, communication and personal attention than others.

For this reason we are introducing the Vanbrugh Investment Portfolio service (VIP for short) for private investors who wish to combine the advantages of a wholly modern, tax-efficient approach to financial planning with a personal, "communicative" approach to investment management. (Any specific figure must naturally be arbitrary but in our opinion £25,000 is a very fair starting point for a service providing special benefits for the larger investor.)

The main benefits of the Vanbrugh Investment Portfolio are outlined opposite and detailed in a brochure which we will send you on request. The more you find out about what we're offering, the more you'll realise that nobody else takes a £25,000 investment quite as seriously as we do. But naturally you should consult an independent professional adviser before taking such an important decision.



Vanbrugh Investment Portfolio

Vanbrugh Life Assurance Limited
41/43 Maddox St., London W1R 9LA Tel: 01-499 4923
A MEMBER OF THE PRUDENTIAL GROUP

The Vanbrugh Investment Portfolio

The Vanbrugh Investment Portfolio (VIP) is available exclusively to private investors with funds in excess of £25,000. The purpose of this service is to allow investors to maintain exceptionally close contact with their portfolio and the activities of their Investment Managers.

The VIP service is issued by Vanbrugh Life Assurance, a wholly-owned subsidiary of the Prudential Assurance Company Ltd., the country's leading investing institution, which manages funds of over £5,000 million.

Vanbrugh Life is an acknowledged leader in the use of investment bonds in order to make the most tax-efficient deployment of an individual's resources. Through Vanbrugh investment funds (Equity, Property, Fixed Interest, Managed, International and Cash) the individual is able to benefit directly from the Prudential's investment expertise, skills and resources, while retaining wide freedom of investment choice.

VIP investors will receive:

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Annual Fund Reports... reviewing the progress of each fund.

Financial Bulletins... explaining how fiscal and legislative developments may affect individual investment portfolios and suggesting new opportunities or prescribing appropriate countermeasures.

Statements and Valuations... Statements are issued after each transaction — and valuations too, on request. Plus a detailed annual valuation setting out all the transactions that have taken place during the year.

Invitations to Investment Conferences... To provide VIP investors with an opportunity to meet the Investment Directors and Fund Managers responsible for their investments, they will receive invitations to VIP Investment Conferences, where they will hear the Investment Directors' interpretation of current economic circumstances and financial prospects. They will also have the chance to discuss with our investment panel any aspect of their portfolio.

VIP investors can also enjoy:

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CONTRACTS AND TENDERS

Argentine Republic

Ministry of Economy

HIDRONOR

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Alicopa Complex
Alicopa Hydroelectric Project
Contract No. 533 — Civil Engineering Works
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In order to select Contractors from whom national and international tenders will be called to construct the main civil engineering works for the above contract, HIDRONOR S.A. will receive and analyse the qualifications and references from those firms and consortia of firms from member countries of Interamerican Development Bank (IDB) that have adequate technical and financial capacity and wish to take part in the call of tenders.

HIDRONOR S.A. has started negotiations with Interamerican Development Bank in order to obtain the necessary loans to finance the works and it will take into account the rules of such entity, when carrying out the prequalification and call of tenders.

The procedure of submitting these details is set out in a prequalification document which may be obtained from HIDRONOR S.A., Av. Leandro N. Alem 1074, 1001 Buenos Aires, Argentine Republic, and at the main offices of Electrowatt Engineering Services Ltd., P. O. Box 5022 Zurich, Bellevuestrasse, 36, Switzerland, and SWECO A.B. — P.O. Box 5035 — 2, Linneaplan, S-102 41 Stockholm 5, Sweden, from October 8, 1978.

The envelopes containing the qualifications and references of the firms or consortia concerned must be submitted to Leandro N. Alem 1074, 3rd Floor, 1001 Buenos Aires, Argentine Republic, before 5 p.m., November 30, 1978.

The contract includes the following works:

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- A spillway of an approximate capacity of 3000 cu. metres per second.
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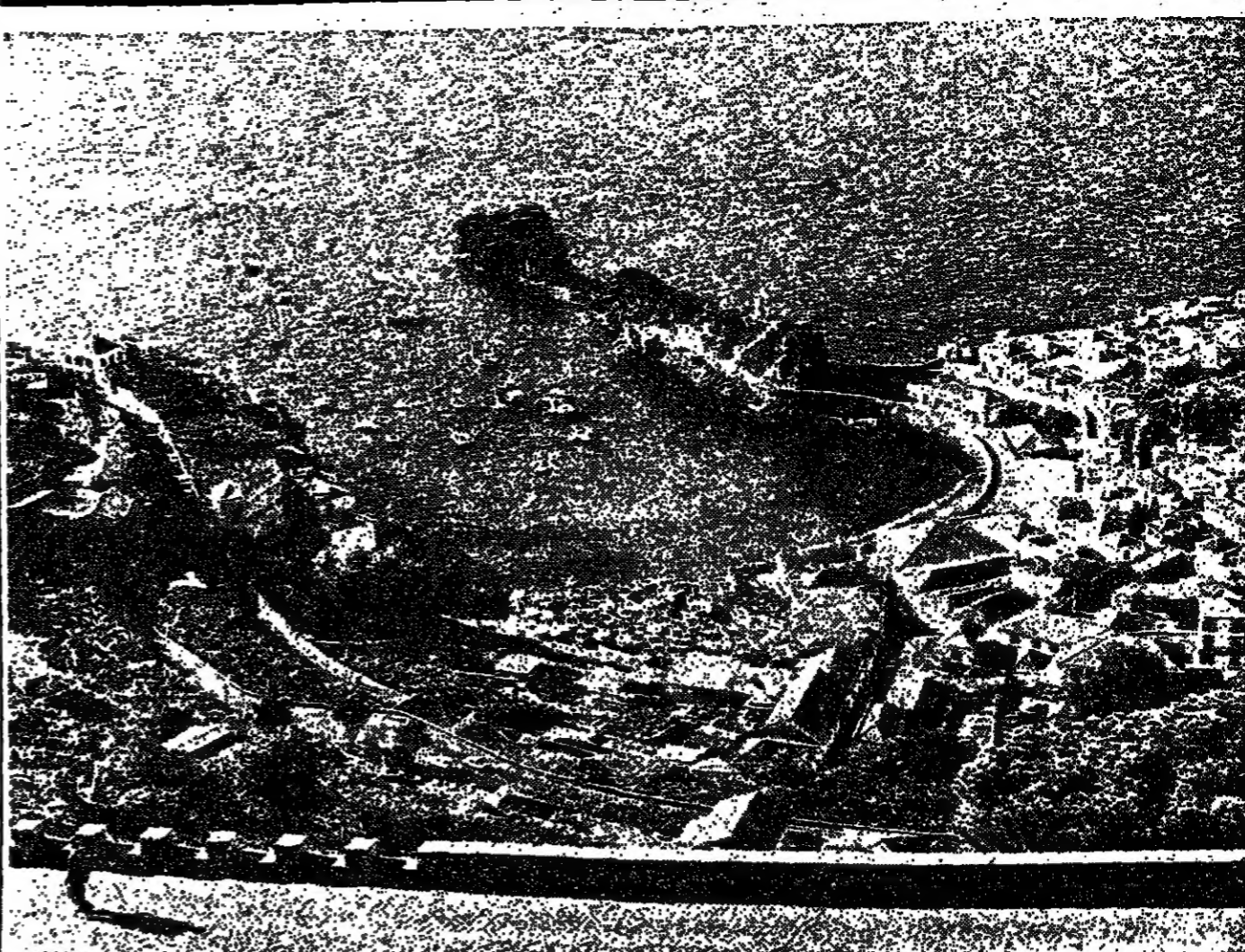
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TRAVEL



Madiera is one of the
favourite winter destinations
for the British, and somehow
retains something of a British
atmosphere. Recent years
have seen a few changes, the
restaurant scene in particular

has much improved but the
basic charm of the island
remains. Our picture shows
the fishing village of Camara
de Lobos, spectacularly set
against the high mountains
of the island.

Winters away

BY PAUL MARTIN

AT A TIME when many major rooms with private facilities at
tour operators are claiming a Quinta with its own private
record bookings for both short- and long-stay winter holidays,
and long-stay winter holidays, distance of the centre of
the selection available is wider than ever. Add to that the con-
trovery over a varied range of bonuses, whether as cash offers
or, in some cases, car-hire in-cluded in the package, and you
come back to the old maxim
that the early booking birds and
the ardent students of bro-
chures will always come up
trumps.

You also get exactly what you
pay for and, during our own par-
ticularly grey months, you can
virtually guarantee your winter
sun by travelling farther afield
at greater cost. My colleagues
will be looking at the long-haul
picture next week and so I will
restrict myself to what is avail-
able relatively near at hand.

In the constantly changing
travel pattern, several new de-
velopments can only benefit the
holidaymaker. Each week seems
to bring announcements of air
fare reductions, children are in-
cluded free by some operators
at some hotels on certain dates
and — a real breakthrough —
Enterprise, the middle-price
tour operator of British Air-
ways, claims to be the first not
to charge supplements for single
rooms. The single holiday-
maker has often and justifiably
felt penalised up to now.

There has also been a marked
increase in the number of self-
catering arrangements on offer,
but as I hope to cover villa and
similar holidays at a later date,
I will concentrate on the con-
ventional hotel package.

It is always worth keeping an
eye out for the last-minute
offers and, if you can travel at
short notice, you will certainly
save money. The choice of de-
parture date can also materially
affect the cost.

Enterprise is offering a series
of party-time arrangements at
Lloret de Mar, one of the more
attractive Costa Brava resorts,
at prices from £23 for depart-
ures between December 9 and
15. These include return flights
from Gatwick and full board for
a three-night stay at the Don
Juan Hotel. The seven-night
cost varies between £48 and £74
and children between the ages
of two and 11 are free on cer-
tain dates, conditional on shar-
ing a room with their parents.

However, few hotel rooms can
accommodate more than one
child, and Enterprise makes
this very clear.

NEWS of the £3,000 fine for
the Intam group resulting
from that company's treatment
of some passengers last summer
can only come as a ray of hope
for those who have irritating
clashes with tour companies.
Intasun has admitted that some
passengers were not told that
the hotels they had booked were
not available and that they
would have to go elsewhere, and
holiday in a two-star hotel using
charter flights.

If you are planning a two-
week holiday — on a first visit to
Israel many people may like to
combine a stay in Tel Aviv as
a contrast to Eilat — Laker lists
a minimum of £294 for a 14-
night holiday with half-board,
with one week spent in Tel
Aviv and another at Eilat.

Madiera has long been estab-
lished on the British market and
this lovely green island, with
mountain peaks rising to
6,000 ft. remains a friendly
place and one where the British
have always felt at home. Some
of the luxury hotels are house-
hold names. Many tour opera-
tors offer comprehensive
Madeira programmes and Wings
travel agent try writing to
quote from £138 for seven
nights with bed-and-breakfast in
London. WLP 44H.

ABTA is easier to be seen to
be keeping its house in order
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of Fair Trading monitors
ABTA's disciplinary perfor-
mance. If you are having trouble
with your tour operator or
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do business.

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COLLECTING

Oyster days

BY JUNE FIELD

Ah, hapless oyster! Condemned to death
For ever in my native shell
Ordained to more when others
please

commiserated Cowper in *The Poet, the Oyster and the Sensitive Plant*.

Henry Mayhew in *The Street Trader's Lot* (London 1841, edited by Stanley Rubinstein, Sylvan Press 1947), calculated that 124,000,000 oysters were sold by the costermongers in the streets every year at an average price of four a penny, involving an annual expenditure of £125,000. The peak consumption of oysters appears to have been about 1880-84, and measures for controlling oyster beds were included in the Sea Fisheries Act of 1888.

There was a steep decline in consumption about 1870, and six years later the position of the oyster fisheries was so serious that the Government appointed a select committee to enquire into the scarcity and high prices of oysters. At the oyster still customers gave "Two pennorth for a whet," swallowing "as if they were taking poison in a hurry. They did not touch the bread or butter once in twenty times, or they'll be free with the pepper and vinegar."

Dickens's Sam in *The Pickwick Papers* commented that "poverty and oysters always seem to go together," while Mr. Weller remarked "You'd ha' made an uncommon fine oyster," referring to Sam's "very good power o' suction."

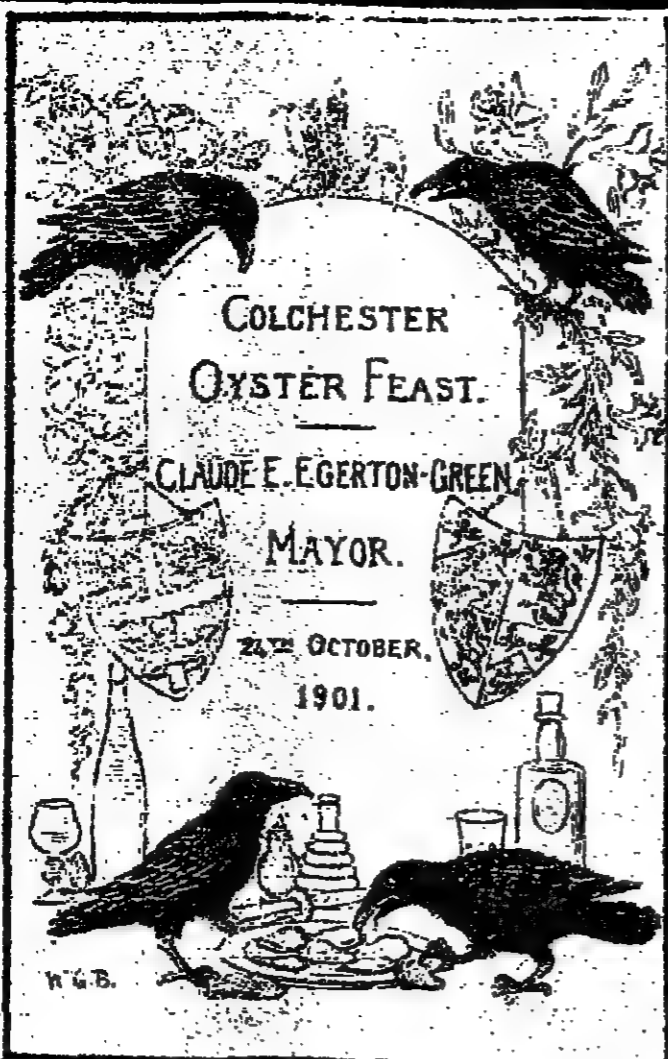
Lewis Carroll's *Through the Looking Glass* had his four young Oysters all eager for the treat, their coats brushed and shoes clean and neat—

And this was odd, because you know,

They hadn't any feet.

Sherlock Holmes asked in mock delirium in *The Adventure of the Bony Man*: "Shall the world, then, be overrun by oysters?" In *The Sign of the Four* Holmes and Watson shared oysters with the detective Athelney Jones.

Alexandre Dumas, creator of *Vicomte de Monte-Cristo* and *The Three Musketeers*, who also produced a mammoth cook book, *Le Grand Dictionnaire de Cuisine* published in 1873 after his death, designated the oyster as one of the most deprived molluscs in the kingdom of nature. Being acephalic, that is to say, having no head, it has neither an organ of sight, hearing or smell. It also lacks an organ of locomotion. Its only exercise is sleep and its only pleasure is to eat. Referring to a current cry "The oysters are going away," he pointed out that the first effect of this was to make the price of oysters go up from 10 centimes a dozen to one franc 30 centimes.



Programme and menu cover Colchester Oyster Festival, 24 October 1901, on display among 850 transient printed items at the Ephemera Society's exhibition, "All The Year Round," which opened this week until November 16 at Paper Point, Poland Street, London, W1.

Dumas pere (1802-1870), insisted that empires stood or fell by their attitudes to food. Helio-papulus had a historian just to describe his meals. Augustus only bothered to rebuild Carthage because of its ancient cuisine, and it was an attack of business, or insatiable hunger, that caused Elton to sell his birthright for a mess of pottage.

For many years Dumas had contemplated writing a cook book, and in 1869, feeling old and unwell, he retreated to Roscoff in Brittany, armed with a collection of cookery books, his own material on the subject, plus contributions from famous restaurateurs. After delivering the manuscript to his publisher, he set off for the South of France but was taken ill at Marseilles after hearing of the outbreak of the Franco-Prussian war. He managed to make his way to Puy, near Dieppe, where his son had a house, but died before the book went to print.

The original work was monstrously long. Now a lively, readable version, *Dumas's Food: Selections from the Grand Dictionnaire*, 27.75, translated and abridged by Alan and Jane Davidson, has just been published in a stylish edition by The Folio Society. The dictionary ranges from the effects of Absinthe to a recipe for Wild Boar with cherry sauce and Woodcocks flamed with rum.

To get Folio books, which are not on sale generally, you need to be a member of the society. Membership is £1.40 a year for the quarterly magazine, plus a

commitment to buy four books (from £2.95 to about £10 each). In addition you get Christopher Hogwood's *Music at Court* (free), and free membership of The National Book League. I find the Folio books are a joy to handle with their range of distinctive bindings—pictorial cloth, hand marbled paper, vegetable parchment, buckram blocked in gold and leather with wood veneer sides. Send large size or label for prospectus and bookmark to John Lewis, The Folio Society, 202, Great Suffolk Street, London S.E.1.

More of the mollusc at the fascinating *All The Year Round* exhibition of the Ephemera Society which opened on Tuesday until November 16 at Paper Point, Poland Street, London, W1. Among the 850 period items of transient printed objects of every day life is a programme and menu cover of the Colchester Oyster Feast held on October 24, 1901. Colchester has owned the oyster-fisheries in the River Colne since Richard I gave them to the town in 1186, an ancient Proclamation dated 1286, asserting that the fishery rights have belonged "from time beyond which memory runneth not to the contrary." The Oyster Feast, which was disbanded in 1835, has been revived, and this year's festivities, when some 12,000 oysters are expected to be consumed is on October 27. For details on the Ephemera Society which has over 400 world-wide members, send a 5p stamp to the secretary, Patrick Hickman Robertson, 12 Fitzroy Square, London, W1.

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Every vendor will receive the full benefits of our expertise and of our international catalogue distribution—whatever the value of the item.

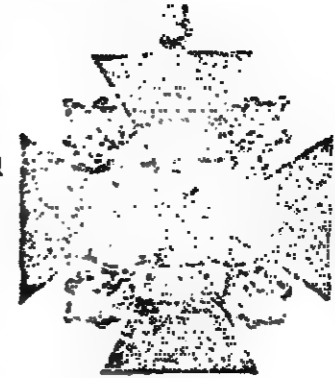
Why not call or telephone one day? There is no charge for our advice and no obligation either to buy or to sell.



A Charlie Chaplin clockwork toy and original box, c.1930, sold on 26th May 1978 for £130.



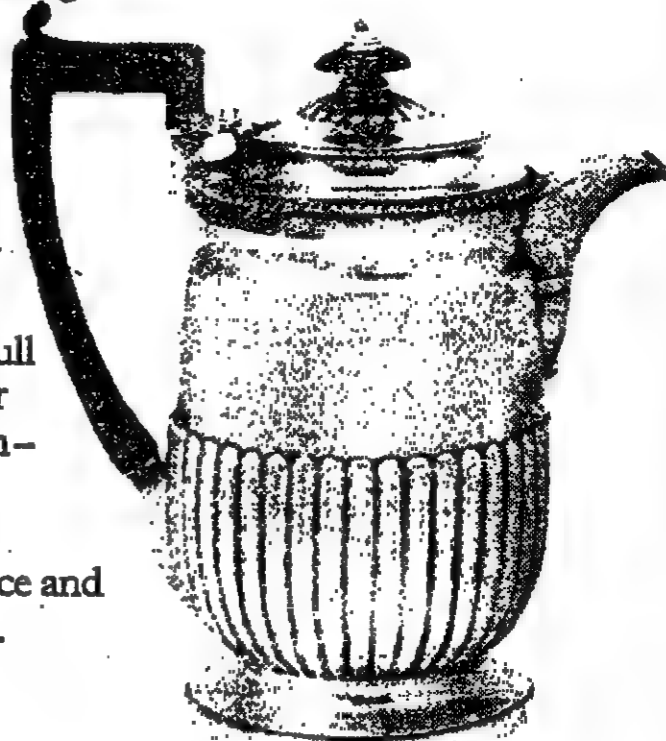
One of a pair of Japanese bronze vases, sold on 29th June 1978 for £130.



A gold and chalcidony pendant, c.1825, sold on 23rd February 1978 for £480.



An early Worcester blue and white shell dish, sold on 22nd November 1977 for £150.



A George III coffee jug by William Burwash, London, 1812, sold on 6th October 1977 for £320.

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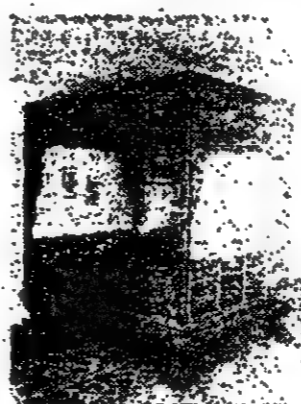
ART GALLERIES

BLOND FINE ART, 33, Seville Street, W.1. 01-422 1210. BRITISH WATER, 10, Old Bond Street, W.1. 01-422 1210. George Smith, N. Brabazon, George Brodsky, Jack Boston, Duncan Grant, Francis Hopcraft, John Nash, Bernard Leach, John Nash, 9, Wilson Street, E.1. 01-422 1210. Christopher Wood, 14, October, Mon-Fri, 10-6. Sat, 10-1.	CHANCE GALLERY, 6, Cork Street, W.1. 01-734 4826. Recent Paintings and Sculptures by W. F. ZAC, 26 Sept. 21 Oct. Mon-Fri, 10-5.30. Sat, 10-1.	CRANE KALMAN GALLERIES, 178, Brompton Road, S.W.3. Outstanding British works of art. Edward Munch, L. S. Lowry, Henry Moore, Ben Nicholson, Graham Sutherland, William Scott, Matthew Smith, etc. Also works by European and American artists. Mon-Fri, 10-6. Sat, 10-4. 01-584 7165. DRAKE ARTS, 821, King's Road, S.W.3. 01-352 5897. Native Art from 18th-20th cent. Also young artists of unusual vision and talent.	DAVID REAFFREY, New drawings and paintings. JAMES LEACH, New 005 0336. 10th St. Below Gallery, Station Road, Hanley-on-Thames. Tel. 04912 6228. Also open Saturdays 2.30-5 p.m.	JEREMY COOPER LTD., 9, Grafton Place, W.1. 01-422 1210. (0001-0002-0003) 01-242 5134. DECORATIVE ARTS 1830-1950. Opening exhibition by The Folio Society, 10-6. Wed, 10-8. Sat, 10-2.	LUMLEY CAZALEY, 24, Dorset St., W.1. 01-422 5056. ROBERT BATES—Recent Watercolours. Until Nov. 10.	OSBELL GALLERIES, Fine British and Foreign. MODERN DRAWINGS. MODERN BRITISH MARITIME PICTURES. 42, Albemarle Street, Piccadilly, W.1.	ROY MILLER, 6, Dorset Street, W.1. S.W.1. VICTORIAN PAINTINGS AND OLD MASTERIES. Monday to Friday 10-5.	RODAN STREET GALLERIES, 128, Dorset Street, W.1. Modern paintings, sculptures and drawings by interesting international artists. Wide range of prices. Tues-Fri, 10.30-5.00. Sat, 10.00-1.00.	SURAN GALLERIES—BALDWIN, Fine British and Foreign. Queen's Gate, N.W.3. 586 3008.
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CLUBS

RYE, 189, Argyle Street, 734 0937. A. C. C. or All-in ahead. Three Spectacular Film Shows 10.15, 12.45 and 8.15. Music of Johnny Harteisworth & Friends.

Spencers OF RETFORD



A Chinese four poster hardwood bed inlaid with ivory figures. To be sold on 24th October.

FORTHCOMING SALES

WEDNESDAY, 18th OCTOBER

Georgian and later furniture and works of art; antique and modern weapons; art nouveau and art deco including a figure by D. H. Chiparus—Retford Salerooms.

THURSDAY 19th OCTOBER

Georgian and later silver; Sheffield and other plate; jewellery and bijouterie, including a Queen Anne lidded tankard London 1713 by John Martin Stocker—Retford Salerooms.

TUESDAY 24th OCTOBER

THE MAJOR PORTION OF THE CONTENTS OF WEST LODGE, RIPON, including English and Continental furniture, ceramics, paintings, rugs, household and outside effects. Including a fine XIX Century ornate mounted commode, a rare Oriental four-poster bed, a Dutch mahogany armoire, a Georgian secretaire bookcase, a Dutch marquetry table. On the premises. On view on morning of sale.

THURSDAY 26th OCTOBER

Oriental ceramics and works of art including ivories, bronzes, lacquer work and furniture, Retford Salerooms.

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EXPERIENCE AND EXPERTISE . . . 343



Copper medallion of General Kleber, signed Daud 1831, 61 mm, (17.4 cm) high. Sale, Monday, October 23.

Pierre-Jean David, called David d'Angers, was a prolific French sculptor who, in addition to bronzes and monumental sculpture, produced a total of over 500 medallions of historical figures, and contemporaries. The example shown above is of General Jean-Baptiste Kleber. When Napoleon left Egypt in 1799 to carry out his coup d'état in France, Kleber was left in charge of the army. War broke out once again when the British Government refused to ratify a convention on the evacuation of the French troops. After defeating a Turkish army advancing from Syria, Kleber was assassinated in Cairo on June 14, 1800. France renounced her claims on Egypt when Kleber's successor was defeated in a battle near Alexandria in March 1801.

The illustrated medallion is one of a group by David, including Victor Hugo, George Canning, Robespierre, St. Just, Bonaparte and others, which will be sold at Christie's on Monday, October 23 in a sale of his English and Continental 18th Century Sculpture. For further information on this sale and sales of this kind, please contact William Agnew at the address above.

A dream takes on an air of reality

BY MICHAEL LAFFERTY

AIRSHIPS AND flying saucers are a never ending source of fascination. Now they are combined in a plan for an inflatable airship shaped like a saucer. The story received credibility from an announcement by European Ferries—the cross-channel ferry company—that it was to take a stake in the company which is to manufacture the so-called thermoships. And to cap it all there was the news that leading London stockbrokers, Laing and Cruickshank, were raising venture capital for the scheme from institutional and private clients.

The man behind the idea is Mr. Malcolm Wren, a former major in the Royal Engineers. He has been working full-time on the skyship since he left the army in 1974. The plan is to build a 45 m diameter, saucer-shaped vehicle, which will be made buoyant with non-inflammable helium gas. Two gas turbine engines will provide horizontal and vertical propulsion.

Among the advantages claimed for the thermoship is its manoeuvrability: it could go from city centre to city centre with ease; and the fact that it would cause no pollution and little noise. It is envisaged that a skyship would be capable of carrying 80 passengers or a six-ton load at a speed of 80 knots over a range of about 200 miles. On a reduced payload the range might be as far as 800 miles. If anything went wrong on a journey it is suggested the skyship—unlike conventional aircraft—would simply float gently to the ground.

Initially, it is planned that thermoships will compete with civil helicopters—a market put at some 200 units a year in

the UK. But the sponsors believe that a wide range of military and other civil applications is possible, including work in the offshore energy industry.

But from having what seems like a good idea, it is a long way to putting it into commercial production. Major Wren's thermoship is no exception. The story of how he has got so far with an idea that many still regard with good-natured scepticism provides a useful insight into how British inventors have to battle for financial backing.

Major Wren first took his idea to the Government. He recalls meetings in 1973 and 1974 with Ministers, including Mr. Michael Heseltine and Mr. Anthony Wedgwood Benn. But that led nowhere—despite what he describes as a lot of interest from the Ministry of Defence. Another line of investigation took him to possible commercial users. Here fortune smiled—but only briefly. Three companies—John Laing, Consolidated Goldfields and European Ferries—became interested in 1974. But all three dropped out after deciding that the Major's ideas were over-ambitious.

Enthusiasts

But he did not give up. Together with a band of, no doubt, devoted enthusiasts he has researched and refined the thermoship to a stage where he has once again been able to interest European Ferries, and its chairman, Mr. Keith Wickenden, in particular. Research so far has been carried out by a company called MAST—short for Mercantile Airship Transportation—of which Major Wren is the main shareholder and chief executive.

Money to pay for the salaries

of the Major's two employees has come from two capital-raising exercises among his friends. So far £100,000 has been raised in this way. In addition, another £150,000 worth of capital has been issued to people who have worked on the project research—leaving MAST overall with some 30 shareholders. If all the Major's dreams are realised these people could become very rich.

Holding out the plate to friends with a bit of spare cash is one thing. Getting the millions of pounds necessary to get the skyships off the ground is quite another. Major Wren has not only been disappointed by the response of the British Government, financial institutions in the City have been equally uninterested, he says.

"It was the typical chicken and egg situation," says Mr. Michael Souer, an executive with Grindlay, Bantons, the merchant bankers. Mr. Souer, the man likely to become finance director of the manufacturing company that would build the thermoships, says the banks wanted to see a full-scale flying model before they could consider supporting the project. But to get to that stage MAST badly needed more funds. So far only a small unmanned version has taken to the air.

European Ferries renewed support for the project may have resolved that particular dilemma. Present plans are to manufacture the skyships in the Isle of Man. A company has been reconstituted there under the name Thermoships Ltd, and Major Wren is sufficiently confident of Manx interest in the scheme to talk of starting-up production on a full-scale prototype within a year. At that rate the first commercial



Electronic surveillance is just one of the many roles seen for Thermoships by Major Malcolm Wren (right), the founder of the company that hopes to manufacture them

skyship could be operational by 1982, he says.

The site identified as suitable for skyship production is Jurby airport, a Royal Air Force base during the last war. But what happens next depends on what attitude the Manx Government takes to Major Wren's application for financial support. According to Mr. Wickenden, European Ferries, feasibility studies suggest that additional skyship funding requirements—clients who might be interested—could run to as much as £8m though it may be only £4m. Under current discussions some £2m of this would come from European Ferries, at least £1m

would be provided by investment grants and working capital loans, from the Isle of Man Government, and the balance would be raised from clients of brokers Laing and Cruickshank.

The man in charge of the matter at the stockbrokers is Mr. Julian Benson, head of the firm's corporate finance department. He stresses that the firm is still at a very early stage, and—although he has possible, thereby spreading the risk and avoiding the possibility of an unwelcome takeover bid at some later stage. Another plan is to split the new capital into two forms—equity, and either redeemable preference shares or loan stock. This is

based on the hope that although the project may need all of the £6m at the early stages of production, that will not be the case for long. So some investors may have some of their capital back within five years, according to present calculations.

Major Wren believes the Isle of Man location for the manufacturing company to be crucial. He thinks that the threat of nationalisation is one of the main factors which has deterred some possible UK backers for the skyship. But it does not end there. "We are starting

what we are quite convinced will be a new industry for the 1980s and we want to avoid the problems of the old industries," he says.

It may be too early yet to say whether the thermoship will become a commercial proposition. All that can be said is that the project seems to be something more than an inventor's dream. Major Wren has kept going despite many setbacks in the past four years. He has convinced European Ferries that the idea has enough merit to take a £2m risk on it. He now awaits the decisions of the Isle of Man Government and Laing and Cruickshank.

Location

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Weekend Brief

Mounting costs

Exhibitions have become a big business and big business is increasingly interested in them. When the Gold of El Dorado opens at the Royal Academy next month it will have cost £800,000 to mount, with half the cost carried by Benson and Hedges, a quarter by Times Newspapers, and the rest by the Academy itself. The Pompeii remains displayed two years ago set back Imperial and the Daily Telegraph £500,000 and the provisional budget for the great Japanese exhibition planned for the Academy in three to four years time is £1m.

But it is worth it, not only in prestige but also in money. Pompeii made a profit, as did the earlier displays of Tutankhamen treasures and works of art from China. If over 500,000 people visit El Dorado—the "ante" for Pompeii—the backers are in the black, and already visits stretch into next year. In fact El Dorado is hoping for a profit of £100,000, a reasonable return for the investment and the four years of preparation.

One member of the syndicate which really needs a good return is the Royal Academy. It receives no Arts Council aid and currently has an overdraft of £500,000. It is making strenuous efforts under its president Sir Hugh Casson to improve its financial position—it makes a planorous setting for parties and balls, and now charges commission on works sold at its Summer Exhibition. In the past it has failed to exploit the big exhibitions held on its premises because it has not taken into account the extra overheads of mounting such an exercise. This time it has got its sum right and can't lose, as long as the public come.

The big crowd pullers are on top of the everyday work of the Academy, which is most apparent in its continuous exhibitions. But even a critically well received display, such as the current show of the works of Rodrigo Moynihan, which will be seen by around 12,000 paying customers, loses money, mainly because of the cost of the catalogue. In the future the "specialists" could well be more in evidence.

For 1979 a major exhibition of the Post Impressionists is planned, with IBM providing £50,000 as good will towards the £500,000 cost. Also next year Olivetti is helping to mount an exhibition on the theme of horses, including one of the four horses of St. Marks in Venice, and on a smaller scale Sotheby's and Moet and Chandon are among the supporters of a display to celebrate the bicentenary of the Derby.

Putting on an exhibition is an intricate exercise. For El Dorado it involves many visits to Colombia and much persuasion to get the Colombian Government to release some of its greatest treasures. Apart from the amount of the golden

from the major cost of constructing the exhibition, there is transportation, security, promotion—and insurance. The difference between a profit and a loss can be the success of the organisers in talking the suppliers of exhibits into placing a "low" value for insurance purposes on the invaluable.

Taxing problems

The fuss which has surrounded Mr. Eric Morley's recent dispute with the board of Grand Metropolitan and his subsequent acceptance of a £200,000 "golden handshake" from the group has focused attention on the tax position of such payments. Like many other areas of personal tax this one is extremely complicated, and the rules applicable depend very much on the circumstances of each particular case. That said, the position is broadly as follows.

Such termination of employment payments fall into two categories—compensation payments and ex gratia payments. Broadly, compensation payments arise where a director, for example, has an unexpired service contract. In a simple case of a director with a £35,000 a year contract with five years to run the compensation payment might be £175,000. Any other termination payments—and in particular any payments in excess of amounts due under compensation—are classified as ex gratia.

Having determined the nature of the termination payment, the next task is to work out what tax accountants Dearden Farrow call the "taxable element". In a recent financial planning note, in the case of compensation payments this will normally be the amount of the golden handshake—say £200,000—less £10,000. For ex gratia payments it is the amount of the handshake less the higher of £10,000 or something known as the SCSS (standard capital superannuation benefit). This is worked out according to the simple formula:

his number of average salary over last three years X complete years of service

However, the SCSS is reduced by the amount of the director's



Morley: departure tax

pension that could be commuted, whether this is done or not.

The next stage is to find the tax rate applicable to the taxable amount of the golden



El Dorado Mask: Golden attraction

handshake. Here the rule is to divide the taxable amount by the number of unexpired years of the service contract, or by six years for ex gratia payments. This amount is then added to the individual's other income for the year to determine the tax rate. Finally, that rate is applied to the whole of the taxable amount of the golden handshake.

According to Dearden Farrow "It is still possible to make substantial lump sum payments to retiring employees which in some cases attract little or no tax." But this, the firm emphasises, demands that there is sufficient advance warning for a proper planning exercise to be undertaken.

Central to tax planning in this area is the reduction of the individual's marginal tax rate in the year his employment is terminated. This can be achieved by minimising his other income in that period, or by creating more allowable charges or deductions. Nowadays this may be done in some cases by the individual going into leasing arrangements—a somewhat sensitive area at the present time.

Two other points deserve mention. Care should be taken if the individual is continuing to perform services for the company following termination. In this case it is recommended that a separate contract for services (Schedule D) should be negotiated as opposed to a contract of service—Schedule E. But, most important of all, the whole tax benefit could be jeopardised if there is any provision in a service contract for compensation payments to be made.

Sparkling

news

THIS WEEK another sparkling water joined the growing band of drinks, led by Perrier, which are fighting to meet the every need of our jaded palates. Harrogate Sparkle comes from the conference town which rather prides itself on its natural water supply and is being marketed by Citra Soft Drinks, of Wakefield.

Fuzzy waters are good business. We probably drink about 14m bottles a year worth some £3m. Such is the growth in demand that it has been estimated that within five years we shall be consuming 66m bottles worth £20m a year. All this may be small beer (if you pardon the pun) in the French who

day as we do in a year and the divide the taxable amount by the number of unexpired years of the service contract, or by six years for ex gratia payments. This amount is then added to the individual's other income for the year to determine the tax rate. Finally, that rate is applied to the whole of the taxable amount of the golden handshake.

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This country has no naturally carbonated water, such as Perrier, so the bubbles have to be put in artificially. Surprisingly, until recently, few British companies attempted to do even this even though a number such as Malvern Water, a Schweppes subsidiary, have sold still waters for a very long time.

Harrogate Sparkle joins brands such as Ashbourne, which comes from the Derbyshire Peaks, Strathmore from Forfar, and Crystal Water from Skenfrith, near Abergavenny, which are trying to beat off the challenge of the imported varieties. And it got off to a flying start.

Harrogate Sparkle was officially launched on Tuesday but the night before the mayor, Mrs. Angela Matthews, told a conference of cosmetic chemists, which was holding its convention in the same room as the next day's launch, of the great new product. Being chemists they naturally wanted a taster and Mrs. Matthews was not the sort of mayor to pass up an opportunity, especially with so many Americans present.

So a couple of bottles were cracked, and then a couple more. "Great" was the general conclusion, with the rider that it would go down well in America.

This unofficial launch was good news for Citra, which is sending a bowser over from Wakefield, some 30 miles away the other side of Leeds, to pick up the natural spring water. It blows the bubbles in and is marketing the stuff, so a little advance publicity among American chemists did not come amiss.

The launch of Harrogate Sparkle (along with Harrogate Spring Water—its "still" cousin) is the culmination of two years' research. Harrogate was once a spa town to which the royalty of Europe repaired; now it is a conference centre which attracts visitors by the thousands, from cyclists to politicians. Harrogate Sparkle is part of the different image which it has cultivated in the last 20 years.

Contributors:

Antony Thorncroft,
Michael Lafferty and
Anthony Moreton.

MONDAY—Prime Minister calls meeting of Ministers for talks on visit to Bonn. Meeting of EEC Finance Ministers, Luxembourg. Two-day Financial Times conference opens in Rome on Outlook for Italy. Retail sales (September provisional). Revue and East Lothian: Pontefract and Castleford parliamentary by-elections nominations close. Evening Newspapers Advertising Bureau survey on advertising attitudes. Mr. Anthony Wedgwood Benn, Energy Secretary, at East Lothian by-election meeting.

TUESDAY—Prime Minister presides at full meeting of Cabinet. EEC Foreign Ministers pay formula and inflation. Monetary System. Confederation of British Industry monthly council meeting—talks will cover pay formula and inflation. Vaushall pay talks resume. Eton Lodge Hotel, Staffordshire. Basic rates of wages and normal weekly

and Sir John McKay at Threat of Crime to Industry conference. Cafe Royal, W1. Institute of Personnel Management statement on Code for Non-Discrimination. WEDNESDAY—Prime Minister heads Government delegation for two-day visit to Bonn at invitation of Herr Helmut Schmidt. West German Chancellor—discussions will include Franco-German proposals for a new European Monetary System. Conference of British Industry monthly council meeting—talks will cover pay formula and inflation. Vaushall pay talks resume. Eton Lodge Hotel, Staffordshire. Basic rates of wages and normal weekly

Economic diary

hours (September). Monthly index of average earnings (August). Prince Charles attends National Economic Development Council working party meeting. Millbank Tower, SW1. National Farmers' Union statement on strategy document. Rail conference opens. Pavilion, Bournemouth. THURSDAY—Mr. Denis Healey, Chancellor of the Exchequer, at Lord Mayor's dinner to bankers. W1. Mr. Merlyn Rees, Home Secretary, at by-election meeting, Pontefract. SATURDAY—Mrs. Shirley Williams, Education Secretary, addresses Assistant Masters and Mistresses Association.

conference opens. FRIDAY—Prime Minister visits Hoover washing machine factory, Merthyr Tydfil. Trade and industry publication will include sales and orders in the engineering industries (July). New construction orders (August). International Motor Show opens. National Exhibition Centre, Birmingham. British Rail announcement on improved rail freight services. Assistant Masters and Mistresses Association conference, Bloomsbury Centre Hotel. Mr. Merlyn Rees, Home Secretary, at by-election meeting, Pontefract. SATURDAY—Mrs. Shirley Williams, Education Secretary, addresses Assistant Masters and Mistresses Association.

A new unit trust from Henderson

Cabot Recovery Trust

The Case for Recovery Trusts

Recovery trusts are designed to produce above average growth over the long term through a policy of investing in those companies whose share prices are currently undervalued because of past performance, but which are expected to show an improvement in profitability.

Over recent years the performance of recovery trusts has shown remarkable growth and they have been widely acclaimed by investment advisors and the financial press.

Excellent Prospects
The reduction in the rate of inflation over the last 12 months, whilst beneficial to the British economy and partly responsible for the improved level of sterling against the U.S. dollar has substantially affected the profitability in a number of sectors of the market. Many companies in heavy industry, for instance, have had disappointing profits over the last 24 months as a result of a low level of industrial activity.

However Henderson believe that the recovery prospects of a number of these companies are not reflected in their current share price levels and have therefore chosen this time to launch Cabot Recovery Trust.

Cabot Recovery Trust

This new trust is likely to be more volatile than a conventional unit trust. It will invest primarily in UK companies whose share prices have not kept pace with the general market trend as a result of difficult trading conditions but which in the opinion of the Managers now show positive signs of recovery in terms of profitability.

Additionally shares will be purchased in companies that may not necessarily have had a profit set-back but which are expected to show a recovery in share price following a period of under performance against the market.

The Managers may also select certain attractively priced shares which, due to current poor trading performance have been reduced or even passed their latest dividend but which in the medium term, have scope for substantial recovery.

Finally in constructing the portfolio the Managers have obtained an estimated current yield of 6% p.a. and the maintenance of a high level of income will be an important consideration at all times.

Experienced Management

Investments in Cabot Recovery Trust will be managed by Henderson Administration, an investment management company established in the U.K. for the past forty years. Well-established in the City of London Henderson also have particularly strong contacts in regional cities where many

* Investment exclusively in 'Recovery' shares.

* Above average prospects for capital growth.

* Good level of income—estimated current gross yield 6-0% p.a.

* Units in this new fund are now available at the fixed offer price of 50-9p each.

interesting investment opportunities emerge from time to time. Henderson Administration currently manage funds in excess of £300m.

To Buy Units

Please remember that any unit trust investment should be regarded as long term, and Cabot Recovery Trust is designed for the more experienced investor. The price of units and the income from them can go down as well as up.

To invest in Cabot Recovery Trust at the current offer price of 50-9p simply return the application form below together with your remittance either direct, or through your professional advisor. This offer closes on 20th October or earlier if the offer price varies by more than 2½%.

Additional Information

Units will be available after the offer closes at the normal daily price. Unit Price and Yield are published daily in leading newspapers. Consideration of 2½% will be paid to recognised agents. An initial charge of 5% is included in the offer price. An annual charge of 1% (plus VAT) of the value of the trust is deducted from income to cover administrative costs. Distributions will be made on 28th April and 28th October. The first distribution on units purchased under this offer will be made on 28th April 1979.

Contract notes will be issued and unit certificates will be forwarded within six weeks of payment. To sell units, endorse your unit certificate and send it to the Managers. Payment will normally be made within seven working days. Managers: Henderson Unit Trust Management Limited, 11 Austin Friars, London EC2N 2ED. Registered Office: Registered No. 552653 England. A member of the Unit Trust Association.

To: Henderson Unit Trust Management Limited, Dealing Dept., 11 Austin Friars, London EC2N 2ED. Telephone enquiries 01-581 3622.

I/We wish to buy _____ units in Cabot Recovery Trust at the fixed price of 50-9p per unit (minimum initial investment 1,000 units).

I/We enclose a remittance of £ _____ payable to Henderson Unit Trust Management Limited. After the close of this offer units will be available at the daily quoted price.

Surname: Mr./Mrs./Miss _____
BLOCK CAPITALS PLEASE
Christian or First Name(s): _____

Address: _____

I/We declare that I am/we are not resident outside the Scheduled Territories and that I am/we are not acquiring the units as the nominee(s) of any person(s) resident outside those Territories.

Signature(s) _____ Date _____
(If there are joint applicants each must sign and attach names and addresses separately.)

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Our Share Exchange Scheme provides a favourable opportunity to switch into this Unit Trust. For details please tick box or telephone Geoffrey Shirecore 01-588 5622.

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Henderson
Unit Trust Management

Undecided in slow trading

INVESTMENT DOLLAR

\$2.60 to \$1.90 (81%)
Effective \$1.9855 (75%)

AN UNDECIDED trading prevailed in slow trading on Wall Street yesterday, as uncertainties surrounding Tax and Energy Legislation persuaded many investors to sit on the sidelines. But analysts said the market was holding up well in the face of a 10 per cent prime rate and expectations of more interest rate rises and higher inflation still to come.

The Dow Jones Industrial Average put on 0.35 to 897.00, making a rise of 17.00 on the week—the day's high and low was 902.20-891.55. But the NYSE All Common Index shed 13 cents to \$58.93, reducing its rise on the week to 50 cents and losses led gains by \$33 to \$38. Trading volume dropped \$2m shares to 21.92m.

After the close, the Federal Reserve raised the discount rate to 8 from 7 1/2.

The prime rate rose to 10 per cent.

FRIDAY'S ACTIVE STOCKS

Stock	Change
Freestone Turc	+0.10
Consolidated	+0.10
Westinghouse Elec.	+0.10
General Motors	+0.10
Am. International	+0.10
Warner-Lambert	+0.10

cent became industry-wide and analysts expected it to go higher, despite a \$2bn fall in the Basic Money supply in the latest statement week.

Westinghouse Electric slipped \$1 to \$22 despite improved third quarter operating profits. Carrier gained \$1 to \$261.

On the NYSE, Dome Mines, which holds 26 per cent of Dome Petroleum, fell \$4 to \$38.8.

CANADA—Widely lower in

active trading, with the Toronto Composite Index down 10.0 to 3297.7.

The Gold Share Index dropped 54.2 to 1880.4, Oil and Gas fell 55.8 to 1703.2 and Metals and Minerals declined 11.4 to 1184.8.

Papers based 0.56 to 153.32. But Banks rose 4.44 to 131.00 and Utilities 0.48 to 197.68.

Due to technical problems at the Toronto and Montreal exchanges, closing prices were not available.

AUSTRALIA—Markets firmed slightly with B. H. Smith up 3 cents to \$151.51 amid persistent speculation of a takeover by Peko-Waddell, up 2 cents to \$36.

Queensland Mines rose 5 cents to \$10. Reasoning put on 20 cents to 11.30 on higher tin prices.

Woodsreef fell 1 1/2 cents to 2 cents on Federal Government's decision not to provide aid to company.

Grainmills subbed in wake of decision by Aboriginal landowners in Northern Territory to reject a mining Agreement in its present form.

SWITZERLAND—Mainly firmer in quiet business.

PARIS—Narrowly mixed in strong volume.

Beugnot rose FF 29 to 868 in generally lower construction on higher first half year profits. Air Liquide shed FF 4 to 371, despite higher profits.

AMSTERDAM—Mostly higher but trading remained quiet.

Bos Kalks, HBG, Volker, Stevin

and IBC Holland slightly higher and reports they will not a Chinese order worth some billions of guilders.

Robeco lost P1 1.30 on its unchanged Eastern oil dividend.

State Loans edged higher, despite Bank Rate increase.

TOKYO—Slightly lower with fresh buying in "low-price" shares alternating with liquidation in popular. Volume 350m (280m) shares.

Export-Oriented issues generally lower in view of Foreign Exchange Market uncertainties.

Pharmaceuticals higher on revived buying interest towards close.

Some Public Works "low-priced" Chemicals and Textiles also higher.

BRUSSELS—Mixed to mostly lower in quiet trading.

UK, Dutch, U.S. and French stock lower, German steady.

Gold Mines also lower.

American Petroleum firm on second half year dividend.

GERMANY—Prices rose strongly in heavy trading with the index hitting a record high of 359.50, up 5.80.

The Chinese invitation to a Consortium and other tenders to steelworks worth up to DM 25bn was the main factor pushing up prices.

Indices

NEW YORK—DOW JONES

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	897.00	896.74	891.42	891.42	896.19	896.02	902.20	891.55	897.00	891.55
Transport	249.81	250.12	248.85	248.85	248.85	248.85	251.48	248.85	249.81	248.85
Utilities	106.77	106.70	106.87	106.77	106.65	106.65	107.25	106.65	106.77	106.65
Trading vol.	21,920	26,170	21,790	26,470	18,720	17,860				

* Base of Index changed from August 28

STANDARD AND POORS

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	115.60	115.28	115.58	115.96	116.09	116.09	117.71	115.28	116.09	115.28
Composite	104.85	104.85	105.30	104.48	104.38	104.38	105.30	104.48	104.85	104.38
Ind. Div. Yield %	4.69	4.70	4.68	4.68	4.75					
Ind. Div. Yield %	9.81	9.89	9.85	9.85	9.88					
Long Gov. Bond Yield	8.58	8.64	8.58	8.58	7.76					

F.T. CROSSWORD PUZZLE No. 3796

A prize of \$5 will be given to each of the senders of the first three correct solutions. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope and addressed to the Financial Times, 10, Cannon Street, London, EC4A 3DF. Winners and solution will be given next Saturday.

Name _____

Address _____

City _____

Postcode _____

Country _____

Telephone _____

Telex _____

Facsimile _____

Other _____

Notes: Overseas prices exclude 5 per cent premium. Belgian dividends are after withholding tax.

* DM 500, unless otherwise stated. * Ptas. 500, unless otherwise stated.

Notes: 1. For 100 shares, unless otherwise stated. * Ptas. 500, unless otherwise stated.

Notes: 1. For 100 shares, unless otherwise stated. * Ptas. 500, unless otherwise stated.

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R.T.S.E. ALL COMMON

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

MONTECARLO

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	210.15	210.15	210.15	210.15	210.15	210.15	210.15	210.15	210.15	210.15
Transport	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56
Utilities	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56
Trading vol.	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56	225.56

TORONTO

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

JOHANNESBURG

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8
Transport	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8
Utilities	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8
Trading vol.	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8	254.8

SPAIN

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

GERMANY

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

PARIS

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

AUSTRALIA

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

TOKYO

Index	Oct. 13	Oct. 12	Oct. 11	Oct. 10	Oct. 9	Oct. 8	High	Low	High	Low
Industrials	1,882	1,885	1,887	1,887	1,887	1,887	1,887	1,887	1,887	1,887
Transport	353	353	353	353	353	353	353	353	353	353
Utilities	493	493	493	493	493	493	493	493	493	493
Trading vol.	493	493	493	493	493	493	493	493	493	493

VIENNA

RACING		BY	
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مكتبة الامم المتحدة

Bofors up after eight months but holds to forecast

STOCKHOLM, Oct. 13.

BOFORS IMPROVED pre-tax earnings by 27 per cent to Skr 39.93m (58m) in the first eight months, while sales tripled by 22 per cent to Skr 1,553m (\$582m). But because of the costs of rationalising its turbine and diesel engine subsidiary Bofors-Nohab, the Swedish armaments steel and chemicals concern will not change its earlier forecast that earnings will be only about the same or slightly higher than last year's Skr 92m.

A net deficit of Skr 21m on extraordinary items in fact reduces the eight-month earnings gain to 11 per cent. Bofors warns that the earnings will be a bare share of billings (taken place in the last four months of the year, so that the eight-month result is not an accurate reflection of the annual outcome). Total sales this year are expected to reach Skr 2,753m, for a gain of over 18 per cent.

The Skr 20m in stock subsidies which boosted the eight-month

pealed this year. On the other hand, depreciation charges are up by Skr 12m and the normally small financial income has been almost halved to Skr 20.4m.

The concern's liquid assets including financial claims fell by Skr 60m to Skr 670m during the period. The decrease stems mainly from the utilisation of advanced payments received from customers to cover manufacturing costs.

Bofors is also in the middle of an extensive investment programme which has boosted spending on plant from Skr 95m to Skr 124m in the report period. The order intake for the first eight months (Skr 149m) were also decided on during the period, in addition to the purchase of the Teleborgs Company's plastics operation.

The order intake grew by 13 per cent over the first eight months, leaving Bofors at the end of August with an order book worth Skr 5.2bn, of which Bofors 3.55bn concerned armaments

BY OUR NORDIC CORRESPONDENT STOCKHOLM, Oct. 13.

BY OUR NORDIC CORRESPONDENT STOCKHOLM, Oct. 13.
INVESTMENT of SKr 700m in 1977. Altogether the manage-
ment calculates that the cost of (\$180m) in the modernisation of its cement factories is holding
back the current profit per- its new cement plant at Slite
has added SKr 27m to deprecia-

formance of Eurac, the Swedish building materials and industrial group. Pre-tax earnings for the first eight months grew by SKr 41 million to SKr 206.2 million, comprising a 15 per cent climb in sales to SKr 1,826m (\$415m). But depreciation and interest charges for the cement project will result in a 1978 pre-tax result below last year's SKr 144m, according to the interim report.

The eight-month operating profit was SKr 122.2 million and SKr 22m to net interest charges. If the effect of this project is excluded, the pre-tax figure would be SKr 41m higher, it is stated.

Investments during the eight months almost trebled to SKr 1,000m, which SKr 300m is attributable to the Silte project. Cash and bank balances declined by SKr 110m to SKr 1,644m during the period and in the middle of September

last year's SKr 84m, according to the interim report.

to SKr 1750 a ton of stock coils are eliminated by 55 per cent in SKr 1550. This was achieved partly through increased foreign sales and partly through the cost-cutting programme the group has been undertaking over the past two years. Turnover outside Sweden moved up by 34 per cent to make up SKr 792m or 43 per cent of the total.

Depreciation charges rose by SKr 23m and net interest costs more than doubled compared with the corresponding period in 1978.

Euroc took up a SKr 100m loan. Borrowing during the eight months amounted to about SKr 270m, including long-term suppliers' credits.

Euroc expects a slightly better market for its products during the remaining four months of 1978. Building investment in Sweden is expected to increase for the first time in five years but the upturn is likely to be weak and the increase in house-building will be offset by further drop in industrial construction.

I.G. Index Limited 01-351 3468. Three-months Aluminium 597-607 29 Lamont Road, London NW10 0HS

1. Tax-free trading on commodity futures.
2. The commodity futures market for the smaller investor.

U.S. Markets

[illegible]

Pearl Conference

1974					1975					1976					1977				
Latest price per unit	Change on week	Year ago	High	Low	Latest price per unit	Change on week	Year ago	High	Low	Latest price per unit	Change on week	Year ago	High	Low	Latest price per unit	Change on week	Year ago	High	Low
Metals																			
Aluminum 3003	\$11.00	+2.00	11.00	10.80	Aluminum 3003	\$11.00	+2.00	11.00	10.80	Aluminum 3003	\$11.00	+2.00	11.00	10.80	Aluminum 3003	\$11.00	+2.00	11.00	10.80
Copper 100 lb	\$110.00	+5.00	110.00	108.00	Copper 100 lb	\$110.00	+5.00	110.00	108.00	Copper 100 lb	\$110.00	+5.00	110.00	108.00	Copper 100 lb	\$110.00	+5.00	110.00	108.00
Gold 100 gms	\$1,200.00	+10.00	1,200.00	1,190.00	Gold 100 gms	\$1,200.00	+10.00	1,200.00	1,190.00	Gold 100 gms	\$1,200.00	+10.00	1,200.00	1,190.00	Gold 100 gms	\$1,200.00	+10.00	1,200.00	1,190.00
Platinum 100 gms	\$1,500.00	+15.00	1,500.00	1,485.00	Platinum 100 gms	\$1,500.00	+15.00	1,500.00	1,485.00	Platinum 100 gms	\$1,500.00	+15.00	1,500.00	1,485.00	Platinum 100 gms	\$1,500.00	+15.00	1,500.00	1,485.00
Grains																			
Wheat No. 1	\$2.00	+0.05	2.00	1.95	Wheat No. 1	\$2.00	+0.05	2.00	1.95	Wheat No. 1	\$2.00	+0.05	2.00	1.95	Wheat No. 1	\$2.00	+0.05	2.00	1.95
Barley 2-row	\$1.50	+0.02	1.50	1.48	Barley 2-row	\$1.50	+0.02	1.50	1.48	Barley 2-row	\$1.50	+0.02	1.50	1.48	Barley 2-row	\$1.50	+0.02	1.50	1.48
Oats 100 lb	\$1.00	+0.01	1.00	0.99	Oats 100 lb	\$1.00	+0.01	1.00	0.99	Oats 100 lb	\$1.00	+0.01	1.00	0.99	Oats 100 lb	\$1.00	+0.01	1.00	0.99
Oilseeds																			
Soybean meal	\$150.00	+2.00	150.00	148.00	Soybean meal	\$150.00	+2.00	150.00	148.00	Soybean meal	\$150.00	+2.00	150.00	148.00	Soybean meal	\$150.00	+2.00	150.00	148.00
Soybean oil	\$1.50	+0.02	1.50	1.48	Soybean oil	\$1.50	+0.02	1.50	1.48	Soybean oil	\$1.50	+0.02	1.50	1.48	Soybean oil	\$1.50	+0.02	1.50	1.48
Textiles																			
Cotton 100 lb	\$1.00	+0.01	1.00	0.99	Cotton 100 lb	\$1.00	+0.01	1.00	0.99	Cotton 100 lb	\$1.00	+0.01	1.00	0.99	Cotton 100 lb	\$1.00	+0.01	1.00	0.99
Wool 100 lb	\$10.00	+0.50	10.00	9.50	Wool 100 lb	\$10.00	+0.50	10.00	9.50	Wool 100 lb	\$10.00	+0.50	10.00	9.50	Wool 100 lb	\$10.00	+0.50	10.00	9.50

[illegible]

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%	F	Year	
City Metro. (0256 202323)	11 1/2	1-year	250	5-7
Ford (0274 29577)	11 1/2	1-year	500	5-7
City (02572 56111)	11 1/2	1-year	1,000	5-7
City (031 548 6553)	11 1/2	1-year	2,000	6-10
Hoster (061 236 3577)	10	1-year	500	2
City (010 5151)	10 1/2	1-year	500	5
(02013 5151)	11 1/2	1-year	500	6-7
Bridge (01-478 3020)	11 1/2	1-year	200	6-7
County (0722 34203)	11 1/2	1-year	100	5-7
Hendry (0202 40451)	10 1/2	1-year	250	3
Rock (0875 5123)	11	1-year	300	3
Rock (0775 5122)	10 1/2	1-year	300	3
In (0852 303051)	11 1/2	yearly	1,000	3-6

	Deposit Rate	Share Accts.	Sub'pn Shares	
by National	5.45%	6.70%	7.35%	7.70% 3
to Thrift	7.00%	7.50%	—	—
nce	6.45%	6.70%	7.65%	7.70% 3
la Hastings & Thane.....	6.45%	6.70%	7.65%	7.70% 3
ford and Bingley	6.45%	6.70%	7.65%	7.70% 3
water	6.45%	6.70%	8.50%	7.90% 2 1/2
ol and West	6.45%	6.70%	7.65%	—
ol Economic	6.45%	6.70%	7.05%	8.85% 3
onus	6.45%	6.70%	7.70%	7.70% 3
ic	6.45%	6.70%	7.65%	7.70% 3
ilic	6.45%	7.25%	8.25%	—
ea	6.00%	6.80%	7.50%	—
ea	6.45%	6.70%	7.55%	7.45% m
enham & Gloucester	6.45%	6.70%	7.65%	7.70% 3
ns Regency	6.45%	7.65%	8.25%	8.20% 3
of London	6.70%	7.00%	7.95%	8.04% 2 1/2
try Economic	6.45%	6.70%	7.95%	7.70% 3
try Provident	6.45%	6.70%	8.70%	7.95% 3
shire	6.45%	6.70%	7.20%	—
way	6.45%	6.70%	7.65%	7.70% 3
lian	6.45%	6.95%	7.20%	7.65% 3
ux	6.45%	6.70%	7.95%	7.70% 3
of England	6.45%	6.70%	7.95%	7.70% 3
s of Oak & Enfield	6.45%	6.95%	8.45%	8.20% 4
on	6.70%	7.20%	—	7.70% 3
ersfield & Bradford	6.45%	6.70%	7.95%	7.70% 3
ington Spa	6.55%	6.80%	0.26%	7.55% 2
ter Permanent	6.45%	6.70%	7.95%	7.70% 3
ter	6.45%	6.70%	7.85%	7.70% 3
ool	6.45%	6.70%	8.15%	7.80% 3
on Goldhawk	6.45%	6.95%	8.20%	7.95% 3
n Nowbury	6.55%	6.80%	7.95%	7.95% 2 1/2
ires	6.45%	6.70%	7.95%	7.70% 3
ngton	7.25%	7.50%	—	—
onal Counties	6.70%	7.00%	8.00%	7.45% 3
wide	6.45%	6.70%	7.95%	7.70% 3
shire Permanent	6.45%	6.70%	8.00%	7.95% 3
Cross	7.25%	7.50%	—	—
ern Rock	6.45%	6.70%	7.95%	7.70% 3
ern	6.45%	6.70%	8.20%	7.70% 3
y	6.45%	6.70%	7.20%	7.70% 3
ern Mutual	6.75%	7.25%	—	—
an	6.45%	6.70%	7.95%	7.70% 3
ality Buildg. Society	6.45%	6.70%	7.85%	7.70% 3
ressive	6.70%	6.95%	7.95%	7.95% 3
try Owners	6.45%	6.70%	8.45%	7.65% 3
ocial	6.45%	6.70%	7.85%	7.70% 3
n	6.45%	6.70%	7.95%	7.70% 3
Mutual	6.45%	7.00%	8.75%	8.05% 3
and Country	6.45%	6.70%	10.00%	7.70% 3
rich	6.45%	6.70%	7.95%	7.20% 2 1/2

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THE POUND SPOT				OTHER MARKETS			
		Oct. 15	Bank rates	Day's Spread		Oct. 15	15
U.S. \$	1	7.796-1/16	1.084	1.870	Argentine Pesos	1	1.48 1.245
Canadian \$	50c	5.005-2/160	1.272	2.550	Belgian Franc	1	1.6995 1.700
Guinea	50c	4.814-1/16	4.814	4.24	British India	1	7.0000 7.000
Belgium F	6	5.622-1/16	5.622	48	French Indochina	1	27.63 27.630
Swiss Fr.	100	105.10-1/16	105.10	272	French Indochina	1	70.850 70.850
D-Mark	6	5.825-3/16	5.825	38	Hong Kong (Indus)	4	3.575 3.580
Port. Esc.	100	167.40-1/16	167.40	50	Indo-China	1	107 105
Spain, Esc.	100	138.40-1/16	138.40	50	Italian Lira	1	2.240 2.240
Sweden, Kr.	100	13.18-1/16	13.18	10	Japanese Yen	100	30.30 30.30
Swiss Fr.	100	105.10-1/16	105.10	272	Malay in L.A.M.	1	4.35 4.35
Netherl. G.	100	16.74-1/16	16.74	48	New Zealand Dollar	1	1.6500 1.650
French Fr.	100	8.42-1/16	8.42	34	Philippine Peso	1	5.00 5.00
Swedish Kr.	100	13.18-1/16	13.18	10	Singapore Dollar	1	4.32 4.32
Yen	100	158.75-1/16	158.75	47	South African Rand	1	1.7151 1.715
Austrian Sch.	100	26.25-1/16	26.25	52			
Swiss Fr.	1	4.025-1/16	4.025	4.13			

1972	at deposit	deposits	6-month	Deposits
Overnight:	-	6-0 1/2	-	-
1 day notice:	-	-	8 1/2 - 9	-
Days:	-	-	-	-
1 day notice:	8 1/2 - 9	8 1/2 - 9	9 1/2 - 10	10 1/2
One month:	9 1/2 - 10	9 1/2 - 10	9 1/2 - 10 1/2	10 1/2
Two months:	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 3/4
Three months:	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 3/4
Six months:	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 3/4
Nine months:	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 3/4
One year:	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 3/4
Two years:	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 1/2 - 10 3/4	10 3/4
Local authority and finance houses seven days' notice, others seven days' notice; minimum three months 11 1/2 per cent. for years 12 1/2 per cent.	-	-	-	-
Are buying rates for prime paper. Buying rate for four-month bank bills are approximately: selling rates for one-month Treasury bills 9 1/2 per cent. 62 1/2 p.p.s. Finance House Rates: Approximate selling rate for one-month bank bills 8 1/2 per cent. 10 per cent. One-month trade bill 10 1/2 per cent. two-month 10 1/2 per cent. 10 1/2 p.p.s.	-	-	-	-
Deposits Rates: In small sums at seven days' notice 8 1/2 per cent. Clearing Bills: Average tender rates of discount 8.500 per cent.	-	-	-	-

EURO-CURRENCY INTEREST RATES*

Oct. 13	Sterling	L.S. Dollar	Canadian Dollar	Dutch Guilder
Interest term:	9 1/2 %	9 1/2 %	8 1/2 - 9 1/4	16 18
7 days' notice:	11 1/2 %	11 1/2 %	8 1/2 - 9 1/4	16 18
Month:	12 1/2 %	12 1/2 %	9 1/2 - 10	16 18 1/2
Three months:	13 1/2 %	13 1/2 %	10 1/2 - 11	17 1/2
Six months:	13 1/2 %	13 1/2 %	10 1/2 - 11	17 1/2
One year:	14 1/2 %	14 1/2 %	11 1/2 - 12	18 1/2

* The following London rates were quoted for London dollar certificates per cent.: one year 9.5-9.75 per cent.
 Local-currency Euro-dollar deposits Two years 9.5-9.75 per cent. three years 9.75-10.00 per cent.
 Short-term rates are call for sterling, U.S. dollars and Canadian dollar.

J.K. CONVERTIBLE STOCKS 13/10

Name and description	Size (£m.)	Current price	Terms ^a
Associated Paper 9 1/2c Cr. 85-90	1.40	116.00	20/00
Bank of Ireland 10 1/2c Cr. 81-86	1.20	195.00	47.6
British Land 12 1/2c Cr. 2002	7.71	173.00	393.3
English Property 6 1/2c Cr. 98-03	8.07	84.00	334.0
English Property 12 1/2c Cr. 00-05	13.31	84.00	138.0
Hanson Trust 6 1/2c Cr. 88-93	4.51	81.00	57.1
Hewden-Stuart 7 1/2c Cr. 1995	0.04	350.00	564.5
Slough Estates 10 1/2c Cr. 87-90	5.50	169.00	126.0
Tozer, Kemsley Dep Cr. 1981	17.88	92.00	133.9
Ultramar 7 1/2 Nt R.C.v.Pfd.	15.12	1.40	0.5
Wilkinson Match 10 1/2c Cr. 83-88	11.10	93.00	40.0

^a Number of ordinary shares into which £10 million of convertible stock can be repaid to the convertible stock. Three-month rates. A figure in parentheses indicates the number of shares into which each £10 million of convertible stock can be repaid to the convertible stock. Income is assumed until conversion date whichever is earlier. Income is assumed to be paid at 10 p.p.s. if convertible. Income is assumed until conversion and premium is added at 12 p.p.s. if non-converting.

[illegible]

The West German mark unit		United States dollar unit	
		Price of gold	24.425
		Morning	24.521
		Morning	24.518
		Afternoon	24.517
		Evening	24.516
		Gold coins	171.000
		Gold calls	221.585
		Gold bars	221.585
		Gold certificates	221.585
		Gold bonds	221.585
		Gold futures	221.585
		Gold options	221.585
		Gold swaps	221.585
		Gold leases	221.585
		Gold storage	221.585
		Gold transport	221.585
		Gold insurance	221.585
		Gold processing	221.585
		Gold refining	221.585
		Gold mining	221.585
		Gold trading	221.585
		Gold investment	221.585
		Gold speculation	221.585
		Gold hoarding	221.585
		Gold smuggling	221.585
		Gold counterfeiting	221.585
		Gold falsification	221.585
		Gold alteration	221.585
		Gold repair	221.585
		Gold cleaning	221.585
		Gold polishing	221.585
		Gold engraving	221.585
		Gold stamping	221.585
		Gold marking	221.585
		Gold numbering	221.585
		Gold lettering	221.585
		Gold dotting	221.585
		Gold cross-hatching	221.585
		Gold shading	221.585
		Gold coloring	221.585
		Gold painting	221.585
		Gold varnishing	221.585
		Gold lacquering	221.585
		Gold waxing	221.585
		Gold oiling	221.585
		Gold greasing	221.585
		Gold polishing	221.585
		Gold buffing	221.585
		Gold rubbing	221.585
		Gold wiping	221.585
		Gold cleaning	221.585
		Gold disinfecting	221.585
		Gold sterilizing	221.585
		Gold pasteurizing	221.585
		Gold canning	221.585
		Gold bottling	221.585
		Gold packaging	221.585
		Gold wrapping	221.585
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Rate	deposit	Billing	Billing	Billing	October 13	Bank of England Index
1/2	7-10 1/2					
3/4	8 1/2-9 1/2				Stirling	62.95
1	8 1/2-9	8 1/2-9 1/2	10 1/2	10 1/2	U.S. dollar	82.82
1 1/4	9 1/2	9 1/2-10	10-10 1/2	10 1/2	Canadian dollar	78.13
1 1/2	9 3/4-10	10 1/2-10 1/2	10 1/2	10 1/2	Australian dollar	145.28
1 3/4	10 1/2-11	10 1/2-11	11	11	Danish franc	113.68
2					Belgian franc	117.32
					Swiss franc	147.87
					Deutsche Mark	121.36
					Swedish krona	122.83
					Guinea	122.83
					French franc	98.76
					Italian lira	56.78
					Yen	154.75
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STOCK EXCHANGE REPORT

Gloomy as pressure on official pay policy increases

30-share index falls 9.6 to 496.2—Long Gilts lose £1

Account Dealing Dates

Option

*First Declared Last Account

Dealings Dealing Day

Oct. 2 Oct. 13 Oct. 24

Oct. 16 Oct. 27 Nov. 7

Oct. 30 Nov. 10 Nov. 21

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ing interest rates in general. The

longer maturities were particu-

larly sensitive and sustained

losses extending to a full point.

The continuation of a rate of

inflation below 5 per cent failed

to restore confidence, but the last

of yesterday's batch of economic

indicators, the September trade

returns, brought no fresh

deterioration in the after-hours

trading, the deficit being much in

line with last-minute revisions.

Reflecting dealers' views about

the general news background,

leading industrialists opened lower

and at the first calculation of the

day the FT 30-share index was

7.2 lower. Thereafter, the fall

was relatively slow and this

measure of the market trend

was finally 9.6 down at 496.2.

Secondary issues also reacted

over a broad front as illustrated

by the near 15-to-one majority of

falls over rises in all FT-quoted

industrialists.

A downturn in British Funds

gathered pace on initial indica-

tors of the higher rate on this

week's Treasury bill offering,

which triggered fresh concern

about interest rate levels. As

selling increased, dealers were

quick to take defensive action and

the result was that by the end

of the day the longs were showing

unsettled by recent poor

profit-taking following the interim

results prompted a fall of 12 to

170p in Foster Bros. and Moss

Bros. lost 8 to 120p following

further consideration of the first-

half figures.

Electricals contributed their

share of dull spots. GEC featured

with a fall of 12 to 324p, while

Thorn Electrical, 372p, and

Electrocomponents, 305p, lost 10

penny each. Following recent strength

on rationalisation hopes, Flaxley

ended at 120p and Beca

ended at 120p. Farrel

Electronics, which reported

interim figures on Tuesday, eased

to 35p on profit-taking before

closing 10 easier on balance at

40p.

Light selling on an unwilling

market left its mark on the

Engineering majors, particularly

John Brown, which fell away to

close 14 down at the day's lowest

of 45p. Vickers gave up 5 to

135p and falls of 8 were recorded

in GKN, 265p, Hawker Siddeley,

235p, and Tubes, 376p. Elsewhere,

Amalgamated Power fell 6 to 144p

despite favourable press comment

on the recent interim results.

British Aluminium, a rising

market of late, came back 10 to

540p, but Ash and Lacey responded

to the increased half-year profits

with a rise of 4 to 145p. News

of the firm's funding through the

European Coal and Steel

Community to finance its

expansion plans continued to

weigh on the share price.

Underlying sentiment in the

Motor sector was not helped by

news that the latest Ford pay

offer had been rejected. Among

others, Daimler-Benz, 263p, and

Lucas, 311p, both fell 5, while in

Garages and Distributors, Ford

dealers, H. Perry, were note-

worthy for a reaction of 8 to 115p.

Newspapers mostly drifted

lower on lack of interest, but

BPM A hardened a fraction

more to 38p, a rise of 12 pence

from 26p. The Gold Mines fell 8.7

more to 140.4, the third consecu-

tive decline and a week's loss of

the 100p mark.

Share prices were marked down

sharply at the outset reflecting

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OFFSHORE AND OVERSEAS FUNDS

[illegible]

INSURANCE BASE RATE

Highly Guaranteed
Address shown under Insurance and Property Bond

do not include a premium, except where indicated + and are in pence unless otherwise stated. Yield is a figure in last column; allow for all buying expenses. a Offered price is the price at which the security is offered. b To-day's price is the price at which the security is offered. c Estimated % To-day's price is the estimated % To-day's price. d Distribution free of U.K. taxes. e Periodic premium insurance plans. f Single premium insurance. g Offered price includes all expenses except agent's commission. h Interest price includes all expenses if bought through managers. i Previous day's price. j Net of tax on realised capital gains unless indicated by +. k Machinery gross. l Suspended.



FT SHARE INFORMATION SERVICE

FOOD, GROCERIES—Cont.

1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605	604	603	602	601	600	599	598	597	596	595	594	593	592	591	590	589	588	587	586	585	584	583	582	581</
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Chestertons

EDVANCE LAND—Continued

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